

State of Arizona  
House of Representatives  
Forty-seventh Legislature  
Second Regular Session  
2006

# HOUSE BILL 2577

## AN ACT

AMENDING TITLE 11, CHAPTER 7, ARIZONA REVISED STATUTES, BY ADDING ARTICLE 8; AMENDING TITLE 12, CHAPTER 6, ARTICLE 12, ARIZONA REVISED STATUTES, BY ADDING SECTION 12-716; AMENDING SECTION 12-820.02, ARIZONA REVISED STATUTES; AMENDING TITLE 13, CHAPTER 1, ARIZONA REVISED STATUTES, BY ADDING SECTION 13-124; AMENDING TITLE 13, CHAPTER 15, ARIZONA REVISED STATUTES, BY ADDING SECTION 13-1509; AMENDING SECTIONS 13-2002, 15-191.01, 15-232 AND 15-1803, ARIZONA REVISED STATUTES; AMENDING TITLE 15, CHAPTER 14, ARTICLE 2, ARIZONA REVISED STATUTES, BY ADDING SECTION 15-1825; AMENDING TITLE 23, CHAPTER 2, ARIZONA REVISED STATUTES, BY ADDING ARTICLES 2 AND 2.1; AMENDING SECTION 26-172, ARIZONA REVISED STATUTES; AMENDING TITLE 26, CHAPTER 2, ARIZONA REVISED STATUTES, BY ADDING ARTICLE 4; AMENDING TITLE 41, CHAPTER 1, ARTICLE 5, ARIZONA REVISED STATUTES, BY ADDING SECTION 41-199; AMENDING SECTION 41-763, ARIZONA REVISED STATUTES; AMENDING TITLE 41, CHAPTER 6, ARIZONA REVISED STATUTES, BY ADDING ARTICLE 7.2; AMENDING SECTION 41-1279.03, ARIZONA REVISED STATUTES; AMENDING TITLE 41, CHAPTER 7, ARTICLE 12, ARIZONA REVISED STATUTES, BY ADDING SECTION 41-1292.01; AMENDING SECTION 41-1376, ARIZONA REVISED STATUTES; AMENDING TITLE 41, CHAPTER 8, ARTICLE 5, ARIZONA REVISED STATUTES, BY ADDING SECTION 41-1384; CHANGING THE DESIGNATION OF TITLE 41, CHAPTER 12, ARTICLE 1, ARIZONA REVISED STATUTES, TO "GENERAL PROVISIONS"; AMENDING TITLE 41, CHAPTER 12, ARTICLE 1, ARIZONA REVISED STATUTES, BY ADDING SECTION 41-1702; AMENDING TITLE 41, ARIZONA REVISED STATUTES, BY ADDING CHAPTER 20; AMENDING TITLE 41, CHAPTER 27, ARTICLE 2, ARIZONA REVISED STATUTES, BY ADDING SECTION 41-3016.01; AMENDING TITLE 41, ARIZONA REVISED STATUTES, BY ADDING CHAPTER 41; AMENDING SECTION 43-1021, ARIZONA REVISED

STATUTES, AS AMENDED BY LAWS 2006, CHAPTER 76, SECTION 5; AMENDING SECTIONS 46-801 AND 46-803, ARIZONA REVISED STATUTES; PROVIDING FOR THE DELAYED REPEAL OF SECTION 41-1292.01, ARIZONA REVISED STATUTES, AS ADDED BY THIS ACT; MAKING APPROPRIATIONS; RELATING TO IMMIGRATION.

(TEXT OF BILL BEGINS ON NEXT PAGE)

1 Be it enacted by the Legislature of the State of Arizona:

2 Section 1. Title 11, chapter 7, Arizona Revised Statutes, is amended  
3 by adding article 8, to read:

4 ARTICLE 8. ENFORCEMENT OF IMMIGRATION LAWS

5 11-1051. Cooperation and assistance in enforcement of  
6 immigration laws

7 A. ALL OFFICIALS, AGENCIES AND PERSONNEL OF COUNTIES, CITIES AND TOWNS  
8 SHALL FULLY COMPLY WITH AND, TO THE FULL EXTENT PERMITTED BY LAW, SUPPORT THE  
9 ENFORCEMENT OF FEDERAL IMMIGRATION LAWS OF THE UNITED STATES.

10 B. EXCEPT AS PROVIDED IN FEDERAL LAW, NO OFFICIAL, PERSONNEL OR AGENT  
11 OF COUNTIES, CITIES AND TOWNS MAY BE PROHIBITED OR IN ANY WAY RESTRICTED FROM  
12 SENDING, RECEIVING OR MAINTAINING INFORMATION RELATING TO THE IMMIGRATION  
13 STATUS, LAWFUL OR UNLAWFUL, OF ANY INDIVIDUAL OR EXCHANGING THAT INFORMATION  
14 WITH ANY OTHER FEDERAL, STATE OR LOCAL GOVERNMENTAL ENTITY FOR THE FOLLOWING  
15 OFFICIAL PURPOSES:

16 1. DETERMINATION OF ELIGIBILITY FOR ANY FEDERAL, STATE OR LOCAL PUBLIC  
17 BENEFIT, SERVICE OR LICENSE THAT IS RESTRICTED IN WHOLE OR IN PART ON THE  
18 BASIS OF IMMIGRATION STATUS.

19 2. VERIFICATION OF ANY CLAIM OF LEGAL DOMICILE IF LEGAL DOMICILE IS  
20 REQUIRED BY LAW OR CONTRACT.

21 3. CONFIRMATION OF THE IDENTITY OF ANY PERSON WHO IS DETAINED AND WHO  
22 CLAIMS NOT TO BE A CITIZEN OF THE UNITED STATES.

23 C. COUNTY SHERIFFS AND POLICE DEPARTMENTS OF CITIES AND TOWNS SHALL  
24 ENTER INTO A MEMORANDUM OF UNDERSTANDING WITH THE UNITED STATES DEPARTMENT OF  
25 JUSTICE OR THE UNITED STATES DEPARTMENT OF HOMELAND SECURITY TO DESIGNATE  
26 OFFICERS AS IMMIGRATION OFFICERS QUALIFIED TO INVESTIGATE, APPREHEND AND  
27 DETAIN ILLEGAL ALIENS IN THE UNITED STATES TO THE FULLEST EXTENT CONSISTENT  
28 WITH STATE AND FEDERAL LAW. COUNTY SHERIFFS AND POLICE DEPARTMENTS OF CITIES  
29 AND TOWNS MAY REQUEST ASSISTANCE FROM THE IMMIGRATION OMBUDSMAN-CITIZENS AIDE  
30 IN COMPLETING AND ENTERING INTO A MEMORANDUM OF UNDERSTANDING UNDER THIS  
31 SUBSECTION.

32 D. COUNTY SHERIFFS AND POLICE DEPARTMENTS OF CITIES AND TOWNS SHALL  
33 IMPLEMENT A PROGRAM TO TRAIN PEACE OFFICERS TO INVESTIGATE VIOLATIONS OF  
34 FEDERAL IMMIGRATION LAWS. UPON REQUEST BY A COUNTY SHERIFF OR POLICE  
35 DEPARTMENT OF A CITY OR TOWN, THE ARIZONA PEACE OFFICER STANDARDS AND  
36 TRAINING BOARD SHALL PROVIDE ASSISTANCE TO IMPLEMENT A TRAINING PROGRAM.

37 E. THE REQUIREMENTS AND OBLIGATIONS OF THIS SECTION SHALL BE  
38 IMPLEMENTED IN A MANNER FULLY CONSISTENT WITH FEDERAL LAW REGULATING  
39 IMMIGRATION AND PROTECTING THE CIVIL RIGHTS OF CITIZENS AND ALIENS.

40 Sec. 2. Title 12, chapter 6, article 12, Arizona Revised Statutes, is  
41 amended by adding section 12-716, to read:

42 12-716. Actions by illegal aliens prohibited

43 NOTWITHSTANDING ANY LAW TO THE CONTRARY, A PERSON WHO IS PRESENT IN  
44 THIS STATE IN VIOLATION OF 8 UNITED STATES CODE SECTION 1325 SHALL NOT BE  
45 AWARDED PUNITIVE DAMAGES IN ANY ACTION IN ANY COURT IN THIS STATE.

1           Sec. 3. Section 12-820.02, Arizona Revised Statutes, is amended to  
2 read:

3           12-820.02. Qualified immunity

4           A. Unless a public employee acting within the scope of the public  
5 employee's employment intended to cause injury or was grossly negligent,  
6 neither a public entity nor a public employee is liable for:

7           1. The failure to make an arrest or the failure to retain an arrested  
8 person in custody.

9           2. An injury caused by an escaping or escaped prisoner or a youth  
10 committed to the department of juvenile corrections.

11           3. An injury resulting from the probation, community supervision or  
12 discharge of a prisoner or a youth committed to the department of juvenile  
13 corrections, from the terms and conditions of the prisoner's or youth's  
14 probation or community supervision or from the revocation of the prisoner's  
15 or youth's probation, community supervision or conditional release under the  
16 psychiatric security review board.

17           4. An injury caused by a prisoner to any other prisoner or an injury  
18 caused by a youth committed to the department of juvenile corrections to any  
19 other committed youth.

20           5. The issuance of or failure to revoke or suspend any permit,  
21 license, certificate, approval, order or similar authorization for which  
22 absolute immunity is not provided pursuant to section 12-820.01.

23           6. The failure to discover violations of any provision of law when  
24 inspections are done of property other than property owned by the public  
25 entity in question.

26           7. An injury to the driver of a motor vehicle that is attributable to  
27 the violation by the driver of section 28-693, 28-1381 or 28-1382.

28           8. The failure to prevent the sale or transfer of a handgun to a  
29 person whose receipt or possession of the handgun is unlawful under any  
30 federal law or any law of this state.

31           9. Preventing the sale or transfer of a handgun to a person who may  
32 lawfully receive or possess a handgun.

33           10. The failure to detain a juvenile taken into temporary custody or  
34 arrested for a criminal offense or delinquent or incorrigible act in the  
35 appropriate detention facility, jail or lockup described in section 8-305.

36           11. **QUESTIONING A PERSON'S IMMIGRATION STATUS PURSUANT TO SECTION**  
37 **13-124.**

38           B. The qualified immunity provided in this section applies to a public  
39 entity or public employee if the injury or damage was caused by a  
40 contractor's employee or a contractor of a public entity acting within the  
41 scope of the contract. The qualified immunity provided in this section does  
42 not apply to the contractor or the contractor's employee.



1 G. NOTWITHSTANDING SUBSECTION D OF THIS SECTION, IF THE PERSON  
2 VIOLATES THIS SECTION WHILE IN POSSESSION OF ANY OF THE FOLLOWING, THE  
3 VIOLATION IS A CLASS 2 FELONY:

- 4 1. A DANGEROUS DRUG AS DEFINED IN SECTION 13-3401.
- 5 2. PRECURSOR CHEMICALS THAT ARE USED IN THE MANUFACTURING OF  
6 METHAMPHETAMINE IN VIOLATION OF SECTION 13-3404.01.
- 7 3. A DEADLY WEAPON AS DEFINED IN SECTION 13-3101 OR A DANGEROUS  
8 INSTRUMENT AS DEFINED IN SECTION 13-105.
- 9 4. PROPERTY THAT IS USED FOR THE PURPOSE OF COMMITTING AN ACT OF  
10 TERRORISM AS PRESCRIBED IN SECTION 13-2308.01.

11 Sec. 6. Section 13-2002, Arizona Revised Statutes, is amended to read:  
12 13-2002. Forgery; classification

13 A. A person commits forgery if, with intent to defraud, the person:

- 14 1. Falsely makes, completes or alters a written instrument; or
- 15 2. Knowingly possesses a forged instrument; or
- 16 3. Offers or presents, whether accepted or not, a forged instrument or

17 one that contains false information; OR ~~—~~

18 4. FALSELY MAKES OR ALTERS A WRITTEN INSTRUMENT THAT PURPORTS TO BE A  
19 DOCUMENT THAT FULFILLS THE REQUIREMENTS FOR ESTABLISHING IDENTITY, OR  
20 ELIGIBILITY TO WORK IN THE UNITED STATES PURSUANT TO THE FEDERAL IMMIGRATION  
21 REFORM AND CONTROL ACT OF 1986, AND THAT IS USED TO OBTAIN EMPLOYMENT IN THIS  
22 STATE BY A PERSON WHO IS NOT AUTHORIZED TO WORK IN THE UNITED STATES.

23 B. The possession of five or more forged instruments may give rise to  
24 an inference that the instruments are possessed with an intent to defraud.

25 C. IF THE COURT ORDERS RESTITUTION FOR A VIOLATION OF SUBSECTION A,  
26 PARAGRAPH 4, THE RESTITUTION ORDER SHALL INCLUDE DAMAGES INCURRED BY ANY  
27 EMPLOYER WHO RELIED ON A FORGED INSTRUMENT IN HIRING OR EMPLOYING A PERSON  
28 WHO WAS NOT AUTHORIZED TO WORK IN THE UNITED STATES, INCLUDING THE EMPLOYER'S  
29 COSTS, ATTORNEY FEES AND EXPENSES.

30 ~~C.~~ D. FORGERY PURSUANT TO SUBSECTION A, PARAGRAPH 4 IS A CLASS 3  
31 FELONY. Forgery PURSUANT TO SUBSECTION A, PARAGRAPH 1, 2 OR 3 is a class 4  
32 felony.

33 Sec. 7. Section 15-191.01, Arizona Revised Statutes, is amended to  
34 read:

35 15-191.01. Family literacy program; procedures; curriculum;  
36 eligibility plan

37 A. The family literacy program is established in the state board of  
38 education through the division of early childhood education programs to  
39 increase the basic academic and literacy skills of eligible parents and their  
40 preschool children in accordance with this article. The state board of  
41 education shall establish family literacy projects as part of the overall  
42 program at locations where there is a high incidence of economic and  
43 educational disadvantage as determined by the state board of education in  
44 consultation with the department of economic security and, as appropriate,  
45 other state agencies.

1           B. The state board of education shall adopt procedures necessary to  
2 implement the family literacy program.

3           C. The state board of education shall establish guidelines for  
4 requiring family literacy program participants to engage in community service  
5 activities in exchange for benefits received from the program. Participants  
6 shall be allowed to choose from a variety of community and faith-based  
7 service providers that are under contract with the department to provide  
8 community service opportunities or program services. Participants shall be  
9 allowed and encouraged to engage in community services within their own  
10 communities. Participants shall be allowed to fulfill the requirements of  
11 this subsection by providing community services to the program from which  
12 they received services.

13           D. The state board of education shall submit an annual report by  
14 December 31 to the governor, the speaker of the house of representatives and  
15 the president of the senate regarding the community service activities of  
16 family literacy program participants pursuant to subsection C, including  
17 information on the number of participants, the types of community service  
18 performed and the number of hours spent in community service activities.

19           E. Local education agencies and adult education programs funded by the  
20 department of education are eligible for grants if the state board of  
21 education determines that a high percentage of adults in the county, the  
22 local school district or the targeted local school service area have not  
23 graduated from high school. Selection criteria for grant awards shall  
24 include at a minimum the educational needs of the adult population, the  
25 incidence of unemployment in the county, district or local targeted school  
26 service area, the degree to which community collaboration and partnership  
27 demonstrate the ability to bring additional resources to the program and the  
28 readiness and likelihood of the proposing organizations to establish a  
29 successful family literacy project.

30           F. Each project team shall include representatives from each of the  
31 following:

32           1. One or more local school districts or the county school  
33 superintendent's office.

34           2. An adult education provider funded by the division of adult  
35 education or a provider that complies with the policies, academic standards,  
36 performance outcomes, assessment and data collection requirements of adult  
37 education as prescribed by the division of adult education.

38           3. A private or public early childhood education provider.

39           4. Any other social service, governmental or private agency that may  
40 provide assistance for the planning and operation of the project.

41           G. In addition to the grants prescribed in subsection H, the state  
42 board of education shall authorize two grants to existing literacy programs  
43 in this state that can offer training and serve as models and training  
44 resources for the establishment and expansion of other programs throughout  
45 this state. Existing literacy programs shall submit a grant application to

1 the state board of education in the same manner as prescribed in  
2 subsection K.

3 H. The state board of education shall authorize additional grants  
4 through the division of early childhood education programs in areas of  
5 educational and economic need.

6 I. Selected projects shall use either:

7 1. A nationally recognized family literacy model such as models  
8 developed by the national center for family literacy or its successor.

9 2. A model that, in the determination of the project team and the  
10 state board of education, is superior to a nationally recognized family  
11 literacy model.

12 J. Eligible parents shall be instructed in adult basic education and  
13 general educational development. Preschool children shall receive  
14 instruction in developmentally appropriate early childhood programs. Other  
15 planned, structured activities involving parents and children in learning  
16 activities may be established as a part of the curriculum.

17 K. Each grant application shall include a plan to address at least the  
18 following:

19 1. Identification and recruitment of eligible parents and children.

20 2. Screening and preparation of parents and children for participation  
21 in the family literacy program.

22 3. Instructional programs and assessment practices that promote  
23 academic and literacy skills and that equip parents to provide needed support  
24 for the educational growth and success of their children.

25 4. A determination that at least ten but no more than twenty parents  
26 with children will be eligible for and be enrolled in the family literacy  
27 program at all times, or that the family literacy programs shall document  
28 efforts to continually recruit eligible families.

29 5. Provision of child care through either private or public providers.

30 6. A transportation plan for participants.

31 7. An organizational partnership involving at a minimum a common  
32 school, a private or publicly funded preschool provider and an adult  
33 education program funded by the department of education or by an outside  
34 funding source.

35 L. THIS SECTION SHALL BE ENFORCED WITHOUT REGARD TO RACE, RELIGION,  
36 GENDER, ETHNICITY OR NATIONAL ORIGIN.

37 M. THE STATE BOARD OF EDUCATION SHALL REPORT ON DECEMBER 31 AND JUNE  
38 30 OF EACH YEAR TO THE JOINT LEGISLATIVE BUDGET COMMITTEE THE TOTAL NUMBER OF  
39 PARENTS WHO APPLIED TO PARTICIPATE IN A PROGRAM UNDER THIS ARTICLE AND THE  
40 TOTAL NUMBER OF PARENTS WHO WERE NOT ELIGIBLE UNDER THIS ARTICLE BECAUSE THE  
41 PARENT WAS NOT AN ELIGIBLE PARENT AS DEFINED IN SECTION 15-191, PARAGRAPH 1,  
42 SUBDIVISION (c).

1           Sec. 8. Section 15-232, Arizona Revised Statutes, is amended to read:  
2           15-232. Division of adult education; duties

3           A. There is established a division of adult education within the  
4 department of education, under the jurisdiction of the state board ~~for~~  
5 ~~vocational and technologica~~ OF education, which shall:

6           1. Prescribe a course of study for adult education in school  
7 districts.

8           2. Make available and supervise the program of adult education in  
9 other institutions and agencies of this state.

10          3. Adopt rules for the establishment and conduct of classes for  
11 immigrant and adult education, including the teaching of English to  
12 foreigners, in school districts.

13          4. Devise plans for establishment and maintenance of classes for  
14 immigrant and adult education, including the teaching of English to  
15 foreigners, stimulate and correlate the Americanization work of various  
16 agencies, including governmental, and perform such other duties as may be  
17 prescribed by the state board of education and the superintendent of public  
18 instruction.

19          5. Prescribe a course of study to provide training for adults to  
20 continue their basic education to the degree of passing a general equivalency  
21 diploma test or an equivalency test approved by the state board of education.

22          B. THE DEPARTMENT OF EDUCATION SHALL PROVIDE CLASSES UNDER THIS  
23 SECTION ONLY TO ADULTS WHO ARE CITIZENS OR LEGAL RESIDENTS OF THE UNITED  
24 STATES OR ARE OTHERWISE LAWFULLY PRESENT IN THE UNITED STATES. THIS  
25 SUBSECTION SHALL BE ENFORCED WITHOUT REGARD TO RACE, RELIGION, GENDER,  
26 ETHNICITY OR NATIONAL ORIGIN.

27          C. THE DEPARTMENT OF EDUCATION SHALL REPORT ON DECEMBER 31 AND JUNE 30  
28 OF EACH YEAR TO THE JOINT LEGISLATIVE BUDGET COMMITTEE THE TOTAL NUMBER OF  
29 ADULTS WHO APPLIED FOR INSTRUCTION AND THE TOTAL NUMBER OF ADULTS WHO WERE  
30 DENIED INSTRUCTION UNDER THIS SECTION BECAUSE THE APPLICANT WAS NOT A CITIZEN  
31 OR LEGAL RESIDENT OF THE UNITED STATES OR WAS NOT OTHERWISE LAWFULLY PRESENT  
32 IN THE UNITED STATES.

33           Sec. 9. Section 15-1803, Arizona Revised Statutes, is amended to read:  
34           15-1803. Alien in-state student status

35           A. An alien is entitled to classification as an in-state refugee  
36 student if such person has been granted refugee status in accordance with all  
37 applicable laws of the United States and has met all other requirements for  
38 domicile.

39           B. IN ACCORDANCE WITH THE ILLEGAL IMMIGRATION REFORM AND IMMIGRANT  
40 RESPONSIBILITY ACT OF 1996 (P.L. 104-208; 110 STAT. 3009), A PERSON WHO IS  
41 NOT A CITIZEN OR LEGAL RESIDENT OF THE UNITED STATES OR WHO IS WITHOUT LAWFUL  
42 IMMIGRATION STATUS IS NOT ENTITLED TO CLASSIFICATION AS AN IN-STATE STUDENT  
43 PURSUANT TO SECTION 15-1802 OR ENTITLED TO CLASSIFICATION AS A COUNTY  
44 RESIDENT PURSUANT TO SECTION 15-1802.01.

1 C. EACH COMMUNITY COLLEGE AND UNIVERSITY SHALL REPORT ON DECEMBER 31  
2 AND JUNE 30 OF EACH YEAR TO THE JOINT LEGISLATIVE BUDGET COMMITTEE THE TOTAL  
3 NUMBER OF STUDENTS WHO WERE ENTITLED TO CLASSIFICATION AS AN IN-STATE STUDENT  
4 AND THE TOTAL NUMBER OF STUDENTS WHO WERE NOT ENTITLED TO CLASSIFICATION AS  
5 AN IN-STATE STUDENT UNDER THIS SECTION BECAUSE THE STUDENT WAS NOT A CITIZEN  
6 OR LEGAL RESIDENT OF THE UNITED STATES OR IS WITHOUT LAWFUL IMMIGRATION  
7 STATUS.

8 Sec. 10. Title 15, chapter 14, article 2, Arizona Revised Statutes, is  
9 amended by adding section 15-1825, to read:

10 15-1825. Prohibited financial assistance; report

11 A. A PERSON WHO IS NOT A CITIZEN OF THE UNITED STATES, WHO IS WITHOUT  
12 LAWFUL IMMIGRATION STATUS AND WHO IS ENROLLED AS A STUDENT AT ANY UNIVERSITY  
13 UNDER THE JURISDICTION OF THE ARIZONA BOARD OF REGENTS OR AT ANY COMMUNITY  
14 COLLEGE UNDER THE JURISDICTION OF A COMMUNITY COLLEGE DISTRICT IN THIS STATE  
15 IS NOT ENTITLED TO TUITION WAIVERS, FEE WAIVERS, GRANTS, SCHOLARSHIP  
16 ASSISTANCE, FINANCIAL AID, TUITION ASSISTANCE OR ANY OTHER TYPE OF FINANCIAL  
17 ASSISTANCE THAT IS SUBSIDIZED OR PAID IN WHOLE OR IN PART WITH STATE MONIES.

18 B. EACH COMMUNITY COLLEGE AND UNIVERSITY SHALL REPORT ON DECEMBER 31  
19 AND JUNE 30 OF EACH YEAR TO THE JOINT LEGISLATIVE BUDGET COMMITTEE THE TOTAL  
20 NUMBER OF STUDENTS WHO APPLIED AND THE TOTAL NUMBER OF STUDENTS WHO WERE NOT  
21 ENTITLED TO TUITION WAIVERS, FEE WAIVERS, GRANTS, SCHOLARSHIP ASSISTANCE,  
22 FINANCIAL AID, TUITION ASSISTANCE OR ANY OTHER TYPE OF FINANCIAL ASSISTANCE  
23 THAT IS SUBSIDIZED OR PAID IN WHOLE OR IN PART WITH STATE MONIES UNDER THIS  
24 SECTION BECAUSE THE STUDENT WAS NOT A CITIZEN OR LEGAL RESIDENT OF THE UNITED  
25 STATES OR NOT LAWFULLY PRESENT IN THE UNITED STATES.

26 C. THIS SECTION SHALL BE ENFORCED WITHOUT REGARD TO RACE, RELIGION,  
27 GENDER, ETHNICITY OR NATIONAL ORIGIN.

28 Sec. 11. Title 23, chapter 2, Arizona Revised Statutes, is amended by  
29 adding articles 2 and 2.1, to read:

30 ARTICLE 2. EMPLOYMENT OF UNAUTHORIZED WORKERS

31 23-211. Definitions

32 IN THIS ARTICLE, UNLESS THE CONTEXT OTHERWISE REQUIRES:

33 1. "AGENCY" MEANS ANY AGENCY, DEPARTMENT, BOARD OR COMMISSION OF THIS  
34 STATE OR A COUNTY, CITY OR TOWN THAT ISSUES A LICENSE FOR PURPOSES OF  
35 OPERATING A BUSINESS IN THIS STATE.

36 2. "BASIC PILOT PROGRAM" MEANS THE BASIC EMPLOYMENT VERIFICATION PILOT  
37 PROGRAM AS JOINTLY ADMINISTERED BY THE UNITED STATES DEPARTMENT OF HOMELAND  
38 SECURITY AND THE SOCIAL SECURITY ADMINISTRATION OR ITS SUCCESSOR PROGRAM.

39 3. "EMPLOYER" MEANS ANY INDIVIDUAL OR TYPE OF ORGANIZATION, INCLUDING  
40 THIS STATE AND ALL OF ITS POLITICAL SUBDIVISIONS, THAT HAS IN ITS EMPLOY ONE  
41 OR MORE INDIVIDUALS PERFORMING SERVICES FOR IT IN EMPLOYMENT AND INCLUDES  
42 SELF-EMPLOYED PERSONS.

43 4. "KNOWINGLY" MEANS, WITH RESPECT TO CONDUCT OR TO A CIRCUMSTANCE  
44 DESCRIBED BY A STATUTE DEFINING AN OFFENSE, THAT A PERSON IS AWARE OR

1 BELIEVES THAT THE PERSON'S CONDUCT IS OF THAT NATURE OR THAT THE CIRCUMSTANCE  
2 EXISTS.

3 5. "LICENSE" MEANS ANY AGENCY PERMIT, CERTIFICATE, APPROVAL,  
4 REGISTRATION, CHARTER OR SIMILAR FORM OF AUTHORIZATION THAT IS REQUIRED BY  
5 LAW AND THAT IS ISSUED BY ANY AGENCY FOR THE PURPOSES OF OPERATING A BUSINESS  
6 IN THIS STATE.

7 6. "UNAUTHORIZED WORKER" MEANS A PERSON WHO IS AN ALIEN AND WHO IS NOT  
8 AUTHORIZED TO BE EMPLOYED UNDER FEDERAL LAW. FOR THE PURPOSES OF THIS  
9 PARAGRAPH, "ALIEN" MEANS A PERSON WHO IS NOT A CITIZEN OR NATIONAL OF THE  
10 UNITED STATES.

11 23-212. Verification of employees; civil and criminal immunity

12 NOTWITHSTANDING ANY OTHER LAW, AN EMPLOYER WHO DOES ANY OF THE  
13 FOLLOWING IS NOT SUBJECT TO ANY CIVIL OR CRIMINAL PENALTY IMPOSED BY THIS  
14 STATE, OR ANY ADMINISTRATIVE OR JUDICIAL ACTION, FOR EMPLOYING AN  
15 UNAUTHORIZED WORKER:

16 1. VERIFIES THE EMPLOYMENT ELIGIBILITY OF THE EMPLOYER'S EMPLOYEES  
17 THROUGH THE BASIC PILOT PROGRAM.

18 2. COMPLIES WITH FEDERAL AND STATE LAWS REGARDING ALL OF THE  
19 FOLLOWING:

20 (a) COMPLETING AND RETAINING I-9 EMPLOYMENT ELIGIBILITY VERIFICATION  
21 FORMS AS REQUIRED BY FEDERAL LAW.

22 (b) REPORTING NEWLY HIRED EMPLOYEES TO THE DEPARTMENT OF ECONOMIC  
23 SECURITY FOR CHILD SUPPORT ENFORCEMENT PURPOSES PURSUANT TO SECTION  
24 23-722.01.

25 (c) REPORTING THE EMPLOYEES TO THE DEPARTMENT OF REVENUE PURSUANT TO  
26 TITLE 43, CHAPTER 4, ARTICLES 1 AND 2 AND TO THE INTERNAL REVENUE SERVICE AND  
27 SOCIAL SECURITY ADMINISTRATION, AS REQUIRED BY FEDERAL LAW.

28 3. MAKES A GOOD FAITH DETERMINATION THAT THE SERVICES OF A PERSON WERE  
29 BEING PROVIDED PURSUANT TO AN INDEPENDENT CONTRACTOR RELATIONSHIP RATHER THAN  
30 AN EMPLOYMENT RELATIONSHIP.

31 23-213. Employees; social security numbers

32 A. AN EMPLOYER SHALL DISCHARGE AN EMPLOYEE IF THE EMPLOYER DISCOVERS  
33 THAT THE EMPLOYEE PROVIDED AN INVALID SOCIAL SECURITY NUMBER TO THE EMPLOYER,  
34 UNLESS THE EMPLOYEE PROVIDES A VALID SOCIAL SECURITY NUMBER OR A LEGAL AND  
35 VALID FEDERAL OR STATE IDENTIFICATION DOCUMENT TO THE EMPLOYER WITHIN TEN  
36 BUSINESS DAYS AFTER RECEIVING NOTICE FROM THE EMPLOYER THAT THE INITIAL  
37 NUMBER WAS INVALID.

38 B. THIS SECTION DOES NOT APPLY IF AN ERROR OCCURRED WHEN A VALID  
39 SOCIAL SECURITY NUMBER WAS PROCESSED BY THE EMPLOYER, THE FEDERAL GOVERNMENT  
40 OR THIS STATE.

41 23-214. Employment of unauthorized workers; cease and desist  
42 order; notice

43 A. BEGINNING JANUARY 1, 2007, IF AN ATTORNEY GENERAL'S INVESTIGATION  
44 DETERMINES THAT AN EMPLOYER THAT OPERATES A BUSINESS OR ENTERPRISE IN THIS  
45 STATE KNOWINGLY EMPLOYS AN UNAUTHORIZED WORKER IN THIS STATE, AS VERIFIED BY

1 THE ATTORNEY GENERAL WITH THE FEDERAL GOVERNMENT, THE ATTORNEY GENERAL SHALL  
2 IMMEDIATELY:

3 1. ORDER THE EMPLOYER TO CEASE AND DESIST FROM EMPLOYING THE  
4 UNAUTHORIZED WORKER AND TO DISCHARGE FOR CAUSE OTHER UNAUTHORIZED WORKERS WHO  
5 ARE IDENTIFIED IN THE CEASE AND DESIST ORDER AND WHO ARE KNOWINGLY EMPLOYED  
6 BY THE EMPLOYER IN THIS STATE. THE CEASE AND DESIST ORDER SHALL CONTAIN A  
7 NOTICE OF THE EMPLOYER'S RIGHTS TO CONTEST THE ORDER. THE ATTORNEY GENERAL  
8 SHALL CONFIRM THAT THE EMPLOYER RECEIVED THE CEASE AND DESIST ORDER BY  
9 CERTIFIED MAIL. THE EMPLOYER SHALL COMPLY WITH THE CEASE AND DESIST ORDER  
10 WITHIN TEN BUSINESS DAYS AFTER THE ATTORNEY GENERAL CONFIRMS THAT THE  
11 EMPLOYER RECEIVED THE ORDER, UNLESS THE EMPLOYER HAS FILED AN APPEAL OF THE  
12 ATTORNEY GENERAL'S CEASE AND DESIST ORDER PURSUANT TO SUBSECTION B.

13 2. NOTIFY UNITED STATES IMMIGRATION AND CUSTOMS ENFORCEMENT OF THE  
14 UNAUTHORIZED WORKER.

15 B. WITHIN TEN BUSINESS DAYS AFTER RECEIVING A CEASE AND DESIST ORDER  
16 UNDER SUBSECTION A, THE EMPLOYER MAY EITHER:

17 1. REQUEST A HEARING PURSUANT TO TITLE 41, CHAPTER 6, ARTICLE 10.

18 2. SERVE A NOTICE OF CONTEST OF THE CEASE AND DESIST ORDER, IN WHICH  
19 CASE THE ATTORNEY GENERAL MAY BRING AN ACTION IN SUPERIOR COURT, ADJUDICATED  
20 ON A TRIAL DE NOVO BASIS, SEEKING TO ENFORCE THE CEASE AND DESIST ORDER.

21 C. IF THE EMPLOYER REQUESTS A HEARING OR SERVES A NOTICE OF CONTEST  
22 PURSUANT TO SUBSECTION B, THE CEASE AND DESIST ORDER IS NOT EFFECTIVE UNTIL  
23 TEN BUSINESS DAYS AFTER THE EXPIRATION OF ANY TIME PERIOD TO APPEAL FROM THE  
24 FINAL ADMINISTRATIVE DECISION OF THE OFFICE OF ADMINISTRATIVE HEARINGS OR THE  
25 DECISION OF THE SUPERIOR COURT AND ANY SUBSEQUENT APPEALS.

26 D. FOR THE PURPOSES OF THIS SECTION, PROOF OF EITHER OF THE FOLLOWING  
27 CIRCUMSTANCES, UNLESS SATISFACTORILY EXPLAINED, CREATES A REBUTTABLE  
28 PRESUMPTION THAT AN EMPLOYER KNOWINGLY EMPLOYED AN UNAUTHORIZED WORKER:

29 1. THE EMPLOYER VIOLATED THE MINIMUM WAGE REQUIREMENTS PRESCRIBED BY  
30 THE FEDERAL FAIR LABOR STANDARDS ACT FOR THE EMPLOYEE WHO IS IDENTIFIED IN  
31 THE CEASE AND DESIST ORDER.

32 2. THE EMPLOYER ACCEPTS A CONSULAR IDENTIFICATION CARD THAT IS ISSUED  
33 BY A FOREIGN GOVERNMENT AS A FORM OF IDENTIFICATION WHEN DETERMINING THE  
34 EMPLOYEE'S IDENTITY.

35 E. BEFORE THE ATTORNEY GENERAL BEGINS AN INVESTIGATION UNDER THIS  
36 SECTION THAT IS BASED ON A COMPLAINT MADE TO THE ATTORNEY GENERAL'S OFFICE,  
37 THE ATTORNEY GENERAL SHALL REQUIRE THAT THE COMPLAINT BE IN WRITING AND BE  
38 SIGNED BY THE COMPLAINANT.

39 23-215. Employment of unauthorized workers; failure to comply  
40 with cease and desist order; civil cause of action

41 A. IF AN EMPLOYER FAILS TO COMPLY WITH THE CEASE AND DESIST ORDER  
42 UNDER SECTION 23-214, THE ATTORNEY GENERAL MAY BRING A CIVIL CAUSE OF ACTION  
43 TO ASSESS A CIVIL PENALTY OF UP TO FIVE THOUSAND DOLLARS AND TO HAVE THE  
44 EMPLOYER'S LICENSE SUSPENDED OR REVOKED. IF THE COURT DETERMINES THAT THE  
45 EMPLOYER FAILED TO COMPLY WITH THE CEASE AND DESIST ORDER, THE COURT MAY

1 ORDER THE EMPLOYER'S LICENSE TO BE SUSPENDED OR REVOKED BASED ON THE SEVERITY  
2 OF THE OFFENSE, EXCEPT THAT IF THE LICENSE IS ISSUED PURSUANT TO RULES  
3 ADOPTED BY THE SUPREME COURT THE COURT SHALL REFER THE MATTER TO THE SUPREME  
4 COURT TO DETERMINE WHETHER THE LICENSE SHALL BE SUSPENDED OR REVOKED. IF THE  
5 COURT ORDERS AN EMPLOYER'S LICENSE TO BE SUSPENDED OR REVOKED, THE COURT  
6 SHALL SUSPEND OR REVOKE THE EMPLOYER'S LICENSE IN ORDER TO PREVENT THE  
7 EMPLOYER FROM CONDUCTING BUSINESS AT THE BUSINESS LOCATION WHERE THE  
8 UNAUTHORIZED WORKER WHO IS IDENTIFIED IN THE CEASE AND DESIST ORDER IS  
9 EMPLOYED. IF THE COURT ORDERS AN EMPLOYER'S LICENSE TO BE SUSPENDED OR  
10 REVOKED PURSUANT TO THIS SECTION, THE COURT SHALL NOTIFY THE APPROPRIATE  
11 AGENCY AND, NOTWITHSTANDING SECTIONS 41-1064 AND 41-1092.11, THE APPROPRIATE  
12 AGENCY SHALL IMMEDIATELY SUSPEND THE EMPLOYER'S LICENSE FOR THE TIME PERIOD  
13 SPECIFIED BY THE COURT OR REVOKE THE EMPLOYER'S LICENSE.

14 B. IF AN EMPLOYER HAS A LICENSE REVOKED UNDER SUBSECTION A OF THIS  
15 SECTION, AN AGENCY SHALL NOT ISSUE A NEW LICENSE TO THE EMPLOYER UNTIL TWO  
16 YEARS AFTER THE DATE OF REVOCATION.

17 C. THE COURT SHALL COLLECT THE CIVIL PENALTY PRESCRIBED IN SUBSECTION  
18 A OF THIS SECTION AND REMIT THE CIVIL PENALTY TO THE SUPREME COURT, WHICH  
19 SHALL DEPOSIT, PURSUANT TO SECTIONS 35-146 AND 35-147, THE CIVIL PENALTY IN  
20 THE BORDER SECURITY FUND ESTABLISHED BY SECTION 41-2351.

21 D. THIS SECTION DOES NOT REQUIRE THE COURT TO ORDER THE SUSPENSION OR  
22 REVOCATION OF EVERY LICENSE THAT IS ISSUED TO THE EMPLOYER.

23 23-216. Indemnification for employer actions

24 IF ANY ADMINISTRATIVE OR JUDICIAL ACTION IS BROUGHT AGAINST AN EMPLOYER  
25 BY A FORMER EMPLOYEE AS A RESULT OF THE EMPLOYER'S GOOD FAITH ACTIONS IN  
26 COMPLIANCE WITH THIS ARTICLE OR ANY ORDER, DETERMINATION OR NOTICE UNDER THIS  
27 ARTICLE, THE STATE SHALL INDEMNIFY THE EMPLOYER AND PAY THE ACTUAL DAMAGES  
28 AND COSTS, INCLUDING ATTORNEY FEES, INCURRED BY THE EMPLOYER IN THE DEFENSE  
29 OF THE ADMINISTRATIVE OR JUDICIAL ACTION. THE STATE SHALL VERIFY AND PAY THE  
30 AMOUNT WITHIN FORTY-FIVE DAYS AFTER THE EMPLOYER SUBMITS THE ACTUAL DAMAGES  
31 AND COSTS TO THE STATE. ANY INDEMNIFICATION SHALL BE LIMITED ONLY TO ACTIONS  
32 SPECIFICALLY IDENTIFIED IN THIS ARTICLE.

33 23-217. Expedited consideration

34 FOR ANY ACTION UNDER THIS ARTICLE, THE COURT SHALL EXPEDITE THE ACTION,  
35 INCLUDING ASSIGNING THE ACTION FOR HEARING AT THE EARLIEST PRACTICABLE DATE.

36 23-218. Employer actions; federal law compliance

37 THIS ARTICLE DOES NOT REQUIRE AN EMPLOYER TO TAKE ANY ACTION THAT THE  
38 EMPLOYER BELIEVES IN GOOD FAITH WOULD VIOLATE FEDERAL LAW.

39 ARTICLE 2.1. UNLAWFUL EMPLOYMENT PRACTICES

40 23-221. Definitions

41 IN THIS ARTICLE, UNLESS THE CONTEXT OTHERWISE REQUIRES:

42 1. "AGENCY" MEANS ANY AGENCY, DEPARTMENT, BOARD OR COMMISSION OF THIS  
43 STATE OR A COUNTY, CITY OR TOWN THAT ISSUES A LICENSE FOR PURPOSES OF  
44 OPERATING A BUSINESS IN THIS STATE.



1 A FINAL DETERMINATION THAT EITHER AFFIRMS THE ORIGINAL DETERMINATION OR  
2 DISMISSES THE ORIGINAL DETERMINATION. THE ATTORNEY GENERAL SHALL MAIL THE  
3 FINAL DETERMINATION BY CERTIFIED MAIL TO THE EMPLOYER WITHIN SIXTY DAYS AFTER  
4 RECEIVING THE SUPPORTING EVIDENCE.

5 4. WITHIN TEN BUSINESS DAYS AFTER RECEIVING THE FINAL DETERMINATION  
6 UNDER PARAGRAPH 3 OF THIS SUBSECTION, THE EMPLOYER MAY:

7 (a) REQUEST A HEARING PURSUANT TO TITLE 41, CHAPTER 6, ARTICLE 10.

8 (b) SERVE A NOTICE OF CONTEST OF THE FINAL DETERMINATION, IN WHICH  
9 CASE THE ATTORNEY GENERAL MAY BRING AN ACTION IN SUPERIOR COURT, ADJUDICATED  
10 ON A TRIAL DE NOVO BASIS, SEEKING TO ENFORCE THE FINAL DETERMINATION.

11 5. IF THE EMPLOYER REQUESTS A HEARING OR SERVES A NOTICE OF CONTEST  
12 PURSUANT TO PARAGRAPH 4 OF THIS SUBSECTION, THE FINAL DETERMINATION IS NOT  
13 EFFECTIVE UNTIL TEN BUSINESS DAYS AFTER THE EXPIRATION OF ANY TIME PERIOD TO  
14 APPEAL FROM THE FINAL ADMINISTRATIVE DECISION OF THE OFFICE OF ADMINISTRATIVE  
15 HEARINGS OR THE DECISION OF THE SUPERIOR COURT AND ANY SUBSEQUENT APPEALS.

16 6. IF THE OUTCOME OF THE DETERMINATION AND APPEALS PROCESS UNDER  
17 PARAGRAPHS 2 THROUGH 5 OF THIS SUBSECTION AFFIRMS THE VIOLATION, THE EMPLOYER  
18 IS SUBJECT TO A CIVIL PENALTY. THE CIVIL PENALTY IS TWO THOUSAND DOLLARS FOR  
19 EACH EMPLOYEE FOR WHICH THE EMPLOYER KNOWINGLY FAILED TO COMPLY WITH THIS  
20 SUBSECTION, BUT NOT TO EXCEED TEN THOUSAND DOLLARS. THE ATTORNEY GENERAL  
21 SHALL TRANSMIT THE MONIES RECEIVED PURSUANT TO THIS PARAGRAPH TO THE STATE  
22 TREASURER AND THE STATE TREASURER SHALL DEPOSIT THE MONIES IN THE BORDER  
23 SECURITY FUND ESTABLISHED BY SECTION 41-2351.

24 7. AN EMPLOYER WHO IS SUBJECT TO A CIVIL PENALTY UNDER PARAGRAPH 6 OF  
25 THIS SUBSECTION IS SUBJECT TO AN ADDITIONAL PENALTY. THE AMOUNT OF THE  
26 ADDITIONAL PENALTY IS EQUAL TO THE AMOUNT OF REVENUE, INCLUDING INTEREST,  
27 THAT WAS LOST TO THIS STATE FOR FAILING TO MAKE PAYMENTS OF CONTRIBUTIONS FOR  
28 EMPLOYMENT SECURITY PURPOSES PURSUANT TO SECTION 23-726, SECURE WORKERS'  
29 COMPENSATION TO EMPLOYEES PURSUANT TO SECTION 23-961 AND WITHHOLD FROM  
30 EMPLOYEES THE AMOUNTS REQUIRED PURSUANT TO SECTION 43-401. THE ATTORNEY  
31 GENERAL SHALL TRANSMIT THE MONIES RECEIVED PURSUANT TO THIS PARAGRAPH TO THE  
32 STATE TREASURER FOR DEPOSIT IN THE BORDER SECURITY FUND ESTABLISHED BY  
33 SECTION 41-2351.

34 D. THE FOLLOWING APPLY FOR A SECOND VIOLATION BY AN EMPLOYER WHO  
35 KNOWINGLY FAILS TO MAKE PAYMENTS OF CONTRIBUTIONS FOR EMPLOYMENT SECURITY  
36 PURPOSES PURSUANT TO SECTION 23-726, SECURE WORKERS' COMPENSATION TO ITS  
37 EMPLOYEES PURSUANT TO SECTION 23-961 AND WITHHOLD FROM EMPLOYEES THE AMOUNTS  
38 REQUIRED PURSUANT TO SECTION 43-401 DURING A ONE YEAR PERIOD:

39 1. A SECOND VIOLATION IS A CLASS 1 MISDEMEANOR. THE EMPLOYER IS NOT  
40 SUBJECT TO PROSECUTION FOR A SECOND VIOLATION UNLESS THE PROCESS DESCRIBED  
41 UNDER SUBSECTION C OF THIS SECTION IS COMPLETED.

42 2. ON CONVICTION, THE COURT MAY ORDER THAT THE EMPLOYER'S LICENSE BE  
43 SUSPENDED BASED ON THE SEVERITY OF THE OFFENSE, EXCEPT THAT IF THE LICENSE IS  
44 ISSUED PURSUANT TO RULES ADOPTED BY THE SUPREME COURT THE COURT SHALL REFER  
45 THE MATTER TO THE SUPREME COURT TO DETERMINE WHETHER THE LICENSE SHALL BE

1 SUSPENDED OR REVOKED. IF THE COURT SUSPENDS A LICENSE PURSUANT TO THIS  
2 SUBSECTION, THE COURT SHALL NOTIFY THE APPROPRIATE AGENCY AND,  
3 NOTWITHSTANDING SECTIONS 41-1064 AND 41-1092.11, THE APPROPRIATE AGENCY SHALL  
4 IMMEDIATELY SUSPEND THE EMPLOYER'S LICENSE FOR THE TIME PERIOD SPECIFIED BY  
5 THE COURT.

6 3. ON CONVICTION, THE COURT SHALL ORDER THE EMPLOYER TO PAY AN  
7 ADDITIONAL ASSESSMENT. THE ADDITIONAL ASSESSMENT IS FOUR THOUSAND DOLLARS  
8 FOR EACH EMPLOYEE FOR WHOM THE EMPLOYER KNOWINGLY FAILED TO COMPLY WITH THIS  
9 SECTION. THE COURT SHALL TRANSMIT THE MONIES COLLECTED PURSUANT TO THIS  
10 PARAGRAPH TO THE STATE TREASURER FOR DEPOSIT IN THE BORDER SECURITY FUND  
11 ESTABLISHED BY SECTION 41-2351.

12 4. ON CONVICTION, THE COURT SHALL ALSO ORDER THE EMPLOYER TO PAY AN  
13 ADDITIONAL ASSESSMENT THAT IS EQUAL TO TWO TIMES THE AMOUNT OF REVENUE,  
14 INCLUDING INTEREST, THAT WAS LOST TO THIS STATE FOR FAILING TO MAKE PAYMENTS  
15 OF CONTRIBUTIONS FOR EMPLOYMENT SECURITY PURPOSES PURSUANT TO SECTION 23-726,  
16 SECURE WORKERS' COMPENSATION TO EMPLOYEES PURSUANT TO SECTION 23-961 AND  
17 WITHHOLD FROM EMPLOYEES THE AMOUNTS REQUIRED PURSUANT TO SECTION 43-401. THE  
18 COURT SHALL TRANSMIT THE MONIES RECEIVED PURSUANT TO THIS PARAGRAPH TO THE  
19 STATE TREASURER FOR DEPOSIT IN THE BORDER SECURITY FUND ESTABLISHED BY  
20 SECTION 41-2351.

21 E. THE FOLLOWING APPLY FOR A THIRD VIOLATION BY AN EMPLOYER WHO  
22 KNOWINGLY FAILS TO MAKE PAYMENTS OF CONTRIBUTIONS FOR EMPLOYMENT SECURITY  
23 PURPOSES PURSUANT TO SECTION 23-726, SECURE WORKERS' COMPENSATION TO ITS  
24 EMPLOYEES PURSUANT TO SECTION 23-961 AND WITHHOLD FROM EMPLOYEES THE AMOUNTS  
25 REQUIRED PURSUANT TO SECTION 43-401 DURING A ONE YEAR PERIOD:

26 1. A THIRD VIOLATION IS A CLASS 1 MISDEMEANOR AND THE COURT SHALL  
27 SENTENCE THE EMPLOYER TO SERVE THE MAXIMUM SENTENCE AUTHORIZED BY LAW. THE  
28 EMPLOYER IS NOT SUBJECT TO PROSECUTION FOR A THIRD VIOLATION UNLESS THE  
29 PROCESS DESCRIBED UNDER SUBSECTIONS C AND D OF THIS SECTION IS COMPLETED.

30 2. ON CONVICTION, THE COURT MAY ORDER THAT THE EMPLOYER'S LICENSE BE  
31 SUSPENDED OR REVOKED BASED ON THE SEVERITY OF THE OFFENSE, EXCEPT THAT IF THE  
32 LICENSE IS ISSUED PURSUANT TO RULES ADOPTED BY THE SUPREME COURT THE COURT  
33 SHALL REFER THE MATTER TO THE SUPREME COURT TO DETERMINE WHETHER THE LICENSE  
34 SHALL BE SUSPENDED OR REVOKED. IF THE COURT SUSPENDS OR REVOKES A LICENSE  
35 PURSUANT TO THIS SUBSECTION, THE COURT SHALL NOTIFY THE APPROPRIATE AGENCY  
36 AND, NOTWITHSTANDING SECTIONS 41-1064 AND 41-1092.11, THE APPROPRIATE AGENCY  
37 SHALL IMMEDIATELY SUSPEND THE EMPLOYER'S LICENSE FOR THE TIME PERIOD  
38 SPECIFIED BY THE COURT OR REVOKE THE EMPLOYER'S LICENSE. IF AN EMPLOYER HAS  
39 A LICENSE REVOKED PURSUANT TO THIS PARAGRAPH, AN AGENCY SHALL NOT ISSUE A NEW  
40 LICENSE TO THE EMPLOYER UNTIL TWO YEARS AFTER THE DATE OF REVOCATION.

41 3. ON CONVICTION, THE COURT SHALL ORDER THE EMPLOYER TO PAY AN  
42 ADDITIONAL ASSESSMENT. THE ADDITIONAL ASSESSMENT IS SIX THOUSAND DOLLARS FOR  
43 EACH EMPLOYEE FOR WHOM THE EMPLOYER KNOWINGLY FAILED TO COMPLY WITH THIS  
44 SECTION. THE COURT SHALL TRANSMIT THE MONIES COLLECTED PURSUANT TO THIS

1 PARAGRAPH TO THE STATE TREASURER FOR DEPOSIT IN THE BORDER SECURITY FUND  
2 ESTABLISHED BY SECTION 41-2351.

3 4. ON CONVICTION, THE COURT SHALL ALSO ORDER THE EMPLOYER TO PAY AN  
4 ADDITIONAL ASSESSMENT THAT IS EQUAL TO THREE TIMES THE AMOUNT OF REVENUE,  
5 INCLUDING INTEREST, THAT WAS LOST TO THIS STATE FOR FAILING TO MAKE PAYMENTS  
6 OF CONTRIBUTIONS FOR EMPLOYMENT SECURITY PURPOSES PURSUANT TO SECTION 23-726,  
7 SECURE WORKERS' COMPENSATION TO EMPLOYEES PURSUANT TO SECTION 23-961 AND  
8 WITHHOLD FROM EMPLOYEES THE AMOUNTS REQUIRED PURSUANT TO SECTION 43-401. THE  
9 COURT SHALL TRANSMIT THE MONIES RECEIVED PURSUANT TO THIS PARAGRAPH TO THE  
10 STATE TREASURER FOR DEPOSIT IN THE BORDER SECURITY FUND ESTABLISHED BY  
11 SECTION 41-2351.

12 5. THE ATTORNEY GENERAL SHALL RECORD THE JUDGMENT OF THE COURT, IF  
13 UNPAID WITHIN TEN BUSINESS DAYS, AS A LIEN AGAINST THE EMPLOYER.

14 F. LAW ENFORCEMENT AUTHORITIES SHALL NOT PROVIDE ANY INCENTIVES TO LAW  
15 ENFORCEMENT OFFICERS FOR INVESTIGATING ALLEGED VIOLATIONS OF THIS SECTION.

16 G. THE PENALTIES UNDER THIS SECTION ARE IN ADDITION TO ANY OTHER  
17 PENALTIES THAT MAY BE IMPOSED BY LAW.

18 H. BEFORE THE ATTORNEY GENERAL BEGINS AN INVESTIGATION UNDER THIS  
19 SECTION THAT IS BASED ON A COMPLAINT MADE TO THE ATTORNEY GENERAL'S OFFICE,  
20 THE ATTORNEY GENERAL SHALL REQUIRE THAT THE COMPLAINT BE IN WRITING AND BE  
21 SIGNED BY THE COMPLAINANT.

22 23-223. Indemnification for employer actions

23 IF ANY ADMINISTRATIVE OR JUDICIAL ACTION IS BROUGHT AGAINST AN EMPLOYER  
24 BY A FORMER EMPLOYEE AS A RESULT OF THE EMPLOYER'S GOOD FAITH ACTIONS IN  
25 COMPLIANCE WITH THIS ARTICLE OR ANY ORDER, DETERMINATION OR NOTICE UNDER THIS  
26 ARTICLE, THE STATE SHALL INDEMNIFY THE EMPLOYER AND PAY THE ACTUAL DAMAGES  
27 AND COSTS, INCLUDING ATTORNEY FEES, INCURRED BY THE EMPLOYER IN THE DEFENSE  
28 OF THE ADMINISTRATIVE OR JUDICIAL ACTION. THE STATE SHALL VERIFY AND PAY THE  
29 AMOUNT WITHIN FORTY-FIVE DAYS AFTER THE EMPLOYER SUBMITS THE ACTUAL DAMAGES  
30 AND COSTS TO THE STATE. ANY INDEMNIFICATION SHALL BE LIMITED ONLY TO ACTIONS  
31 SPECIFICALLY IDENTIFIED IN THIS ARTICLE.

32 23-224. Expedited consideration

33 FOR ANY ACTION UNDER THIS ARTICLE, THE COURT SHALL EXPEDITE THE ACTION,  
34 INCLUDING ASSIGNING THE ACTION FOR HEARING AT THE EARLIEST PRACTICABLE DATE.

35 23-225. Employer actions; federal law compliance

36 THIS ARTICLE DOES NOT REQUIRE AN EMPLOYER TO TAKE ANY ACTION THAT THE  
37 EMPLOYER BELIEVES IN GOOD FAITH WOULD VIOLATE FEDERAL LAW.

38 Sec. 12. Section 26-172, Arizona Revised Statutes, is amended to read:

39 26-172. Emergency mobilization; requests by municipalities for  
40 aid of national guard; mobilization into United  
41 States service

42 A. When the governor proclaims an emergency, or deems it necessary to  
43 protect lives or property, the governor may mobilize all or any part of the  
44 national guard or the unorganized militia into service of the state. The  
45 order directing the national guard or the unorganized militia, or any part

1 thereof, to report for active duty shall state the purpose for which it is  
2 mobilized and the objectives to be accomplished. IF THE GOVERNOR DECLARES  
3 THAT A STATE OF EMERGENCY EXISTS FOR THE PROTECTION OF THE LIVES OR PROPERTY  
4 OF CITIZENS OF THIS STATE RESULTING FROM AN INCREASE IN UNAUTHORIZED BORDER  
5 CROSSINGS AND THE RELATED INCREASE IN DEATHS, CRIME OR PROPERTY DAMAGE, THE  
6 GOVERNOR MAY MOBILIZE THE NATIONAL GUARD TO ADDRESS THE EMERGENCY BY ACTIVELY  
7 PERFORMING ONLY DUTIES DIRECTLY RELATED TO BORDER SECURITY.

8 B. The adjutant general shall issue orders for mobilization, appoint  
9 troop commanders and act as chief of staff to the governor. The adjutant  
10 general ~~shall~~, with consent of the governor and in the name of the adjutant  
11 general, SHALL issue orders designating local commanders, giving tactical and  
12 administrative instructions, and defining the objectives of each mobilized  
13 unit.

14 C. The civil authorities of a county or municipality requiring aid of  
15 the national guard to quell any riot, insurrection or other civil disturbance  
16 shall submit to the governor a written request for aid, setting forth the  
17 particular object to be accomplished and the area affected. Upon receipt of  
18 the request the governor may by proclamation mobilize all or any part of the  
19 national guard or the unorganized militia, and the governor shall designate  
20 the adjutant general or an officer of the national guard to take command of  
21 the troops mobilized and to designate the troops to be used.

22 D. To request assistance of the national guard, or the unorganized  
23 militia, or any part thereof in a search or rescue operation involving the  
24 life or health of any person, the sheriff or other officer of a political  
25 subdivision who is conducting the search or rescue operation shall by the  
26 most rapid and suitable means of communication available convey the need to  
27 the state director of emergency management for transmittal to the governor.  
28 If the governor grants the request the sheriff or other officer ~~shall~~, within  
29 two days, SHALL transmit a written confirmation of the request to the  
30 governor.

31 E. If the president of the United States directs mobilization of the  
32 national guard into the armed forces of the United States, the adjutant  
33 general shall effect the mobilization speedily and in the manner prescribed.  
34 Upon mobilization into the armed forces of the United States, the national  
35 guard shall pass to federal control and shall not be subject to military laws  
36 of the state until the time it reverts to control of the state.

37 Sec. 13. Title 26, chapter 2, Arizona Revised Statutes, is amended by  
38 adding article 4, to read:

39 ARTICLE 4. BORDER RADAR

40 26-371. Border radar fund

41 A. THE BORDER RADAR FUND IS ESTABLISHED CONSISTING OF LEGISLATIVE  
42 APPROPRIATIONS, MONIES RECEIVED FROM THE FEDERAL DEPARTMENT OF HOMELAND  
43 SECURITY, GIFTS AND GRANTS TO THE FUND FOR BORDER RADAR ALONG THE SOUTHERN  
44 BORDER OF ARIZONA.

1 B. THE DEPARTMENT OF EMERGENCY AND MILITARY AFFAIRS SHALL ADMINISTER  
2 THE BORDER RADAR FUND AND MONIES IN THE FUND ARE CONTINUOUSLY APPROPRIATED.

3 C. THE STATE TREASURER SHALL INVEST AND DIVEST MONIES IN THE FUND AS  
4 PROVIDED IN SECTION 35-313, AND MONIES EARNED FROM INVESTMENT SHALL BE  
5 CREDITED TO THE FUND.

6 Sec. 14. Title 41, chapter 1, article 5, Arizona Revised Statutes, is  
7 amended by adding section 41-199, to read:

8 41-199. Enforcement; records; unauthorized workers; unlawful  
9 employment practices; report

10 A. THE ATTORNEY GENERAL SHALL SUBMIT A QUARTERLY REPORT TO THE  
11 GOVERNOR, THE JOINT LEGISLATIVE BUDGET COMMITTEE AND THE JOINT LEGISLATIVE  
12 COMMITTEE ON IMMIGRATION ESTABLISHED BY SECTION 41-1292.01 REGARDING THE  
13 IMPLEMENTATION AND ENFORCEMENT OF THE FOLLOWING STATUTES:

14 1. EMPLOYMENT OF UNAUTHORIZED WORKERS PURSUANT TO TITLE 23, CHAPTER 2,  
15 ARTICLE 2.

16 2. UNLAWFUL EMPLOYMENT PRACTICES PURSUANT TO TITLE 23, CHAPTER 2,  
17 ARTICLE 2.1.

18 3. LICENSING ELIGIBILITY AND AUDITS PURSUANT TO CHAPTER 6, ARTICLE 7.2  
19 OF THIS TITLE.

20 B. NOTWITHSTANDING ANY OTHER LAW, THE ATTORNEY GENERAL SHALL HAVE  
21 ACCESS TO ANY RECORDS, DOCUMENTS OR OTHER MATERIALS REGARDING ANY  
22 IMPLEMENTATION OR ENFORCEMENT OF ANY STATUTORY PROVISION LISTED IN SUBSECTION  
23 A OF THIS SECTION.

24 C. THE REPORT REQUIRED BY THIS SECTION SHALL INCLUDE THE FOLLOWING  
25 INFORMATION:

26 1. THE NUMBER OF COMPLAINTS RECEIVED BY THE ATTORNEY GENERAL REGARDING  
27 BUSINESSES THAT EMPLOY UNAUTHORIZED WORKERS OR THAT ENGAGE IN UNLAWFUL  
28 EMPLOYMENT PRACTICES IN THIS STATE.

29 2. THE NUMBER OF EMPLOYERS THAT WERE INVESTIGATED BY THE ATTORNEY  
30 GENERAL FOR EMPLOYING UNAUTHORIZED WORKERS OR ENGAGING IN UNLAWFUL EMPLOYMENT  
31 PRACTICES IN THIS STATE.

32 3. THE NUMBER OF AUDITS CONDUCTED PURSUANT TO SECTION 41-1080.02 AND  
33 THE RESULTS OF THOSE AUDITS.

34 4. THE NUMBER OF CEASE AND DESIST ORDERS THAT WERE ISSUED TO EMPLOYERS  
35 PURSUANT TO SECTIONS 23-214 AND 41-1080.02.

36 5. THE NUMBER OF CIVIL CAUSES OF ACTION BROUGHT BY THE ATTORNEY  
37 GENERAL TO ENFORCE THE CEASE AND DESIST ORDERS.

38 6. THE NUMBER OF LICENSES SUSPENDED OR REVOKED BY THE COURT.

39 7. THE AMOUNT OF CIVIL PENALTIES IMPOSED AGAINST EMPLOYERS FOR  
40 KNOWINGLY EMPLOYING UNAUTHORIZED WORKERS OR ENGAGING IN UNLAWFUL EMPLOYMENT  
41 PRACTICES IN THIS STATE.

42 D. THE ATTORNEY GENERAL SHALL SUBMIT A COPY OF THE REPORT TO THE  
43 SECRETARY OF STATE AND THE DIRECTOR OF THE ARIZONA STATE LIBRARY, ARCHIVES  
44 AND PUBLIC RECORDS.

1           Sec. 15. Section 41-763, Arizona Revised Statutes, is amended to read:  
2           41-763. Powers and duties of the director relating to personnel

3           The director shall:

4           1. Appoint employees necessary to perform the duties prescribed by  
5 this article.

6           2. Have authority for developing and administering a program of  
7 personnel administration for the state service in conformance with the  
8 personnel rules.

9           3. Have authority to establish such offices as may be necessary to  
10 maintain an effective and economical program of personnel administration.

11           4. Have the power to deputize employees in various state agencies  
12 where certain of the functions of personnel administration can be performed  
13 by such deputies.

14           5. Make an annual report and recommendation to the legislature and the  
15 joint legislative budget committee as provided in section 41-763.01.

16           6. Adopt rules relating to personnel and personnel administration.

17           7. Subject to legislative appropriation, have the authority to  
18 contract for the services of consultants necessary to perform the annual  
19 salary plan and salary plan adjustment recommendations.

20           8. Establish a mandatory program of annual personnel management  
21 training for all state employees with supervisory or managerial  
22 responsibility that is appropriate to the nature and scope of the employees'  
23 supervisory responsibilities. The director may waive the annual mandatory  
24 training on a case by case basis. The training shall include at least the  
25 following subjects:

26           (a) Basic employee supervisory or managerial skills.

27           (b) Establishing employee objectives and performance measures.

28           (c) Measuring employee performance and the use of performance  
29 evaluation methods.

30           (d) Employee discipline training and discipline procedures.

31           (e) Other subjects as determined by the director.

32           9. VERIFY THE AUTHORIZATION FOR EMPLOYMENT IN THE UNITED STATES OF  
33 EVERY STATE EMPLOYEE AND CONTRACTORS WITH THIS STATE THROUGH THE BASIC  
34 EMPLOYMENT VERIFICATION PILOT PROGRAM AS JOINTLY ADMINISTERED BY THE UNITED  
35 STATES DEPARTMENT OF HOMELAND SECURITY AND THE SOCIAL SECURITY ADMINISTRATION  
36 OR ITS SUCCESSOR PROGRAM. THIS PARAGRAPH APPLIES ONLY TO EMPLOYEES WHO ARE  
37 HIRED AFTER THIS STATE HAS AGREED TO THE MEMORANDUM OF UNDERSTANDING THAT IS  
38 REQUIRED TO PARTICIPATE IN THE PILOT PROGRAM. THE DIRECTOR SHALL ESTABLISH  
39 GUIDELINES FOR AGENCIES AND BUSINESS ENTITIES THAT CONTRACT WITH THIS STATE  
40 TO FOLLOW WHEN HIRING EMPLOYEES AND USING THE PILOT PROGRAM UNDER THIS  
41 PARAGRAPH.



1 ATTORNEY GENERAL SHALL NOT SELECT AN EMPLOYER FOR AN AUDIT IF THAT EMPLOYER  
2 WAS THE SUBJECT OF AN AUDIT WITHIN THE PRECEDING TWO YEARS, UNLESS THE  
3 EMPLOYER HAS PREVIOUSLY VIOLATED THIS ARTICLE OR TITLE 23, CHAPTER 2 OR  
4 UNLESS THE ATTORNEY GENERAL CAN SHOW JUST CAUSE FOR THE AUDIT. THE ATTORNEY  
5 GENERAL SHALL ALSO CONDUCT AN ANNUAL AUDIT OF AT LEAST ONE STATE AGENCY AND  
6 ONE POLITICAL SUBDIVISION OF THIS STATE. WHEN CONDUCTING THE AUDIT, THE  
7 ATTORNEY GENERAL:

8 1. SHALL REVIEW THE SIGNED AFFIRMATION THAT THE EMPLOYER SUBMITTED  
9 PURSUANT TO SECTION 41-1080.01.

10 2. SHALL REVIEW THE EMPLOYER'S COMPLIANCE WITH FEDERAL AND STATE LAWS  
11 REGARDING THE PROCEDURES FOR HIRING PERSONS LAWFULLY AUTHORIZED TO BE  
12 EMPLOYED IN THE UNITED STATES.

13 3. SHALL REVIEW THE COMPLETED I-9 EMPLOYMENT ELIGIBILITY FORMS THAT  
14 THE EMPLOYER IS REQUIRED TO RETAIN UNDER FEDERAL LAW.

15 4. MAY VERIFY THE EMPLOYMENT AUTHORIZATION OF THE EMPLOYER'S EMPLOYEES  
16 THROUGH THE BASIC PILOT PROGRAM.

17 B. FOR THE PURPOSES OF CONDUCTING AN AUDIT UNDER THIS SECTION, THE  
18 ATTORNEY GENERAL MAY ISSUE A SUBPOENA AND COMPEL THE EMPLOYER TO PRODUCE  
19 RECORDS RELATING TO THE AUDIT. IF AN EMPLOYER FAILS TO COMPLY WITH THE  
20 SUBPOENA THE ATTORNEY GENERAL MAY BRING A CIVIL CAUSE OF ACTION TO ASSESS A  
21 CIVIL PENALTY OF UP TO ONE THOUSAND DOLLARS PER DAY.

22 C. IF AN AUDIT DETERMINES THAT AN EMPLOYER KNOWINGLY EMPLOYS AN  
23 UNAUTHORIZED WORKER, THE ATTORNEY GENERAL SHALL IMMEDIATELY:

24 1. ORDER THE EMPLOYER TO CEASE AND DESIST FROM EMPLOYING THE  
25 UNAUTHORIZED WORKER AND TO DISCHARGE FOR CAUSE OTHER UNAUTHORIZED WORKERS WHO  
26 ARE IDENTIFIED IN THE CEASE AND DESIST ORDER OR IN THE AUDIT AND WHO ARE  
27 KNOWINGLY EMPLOYED BY THE EMPLOYER IN THIS STATE. THE CEASE AND DESIST ORDER  
28 SHALL CONTAIN A NOTICE OF THE EMPLOYER'S RIGHTS TO CONTEST THE ORDER. THE  
29 ATTORNEY GENERAL SHALL CONFIRM THAT THE EMPLOYER RECEIVED THE CEASE AND  
30 DESIST ORDER BY CERTIFIED MAIL. THE EMPLOYER SHALL COMPLY WITH THE CEASE AND  
31 DESIST ORDER WITHIN TEN BUSINESS DAYS AFTER THE ATTORNEY GENERAL CONFIRMS  
32 THAT THE EMPLOYER RECEIVED THE ORDER, UNLESS THE EMPLOYER HAS FILED AN APPEAL  
33 OF THE ATTORNEY GENERAL'S CEASE AND DESIST ORDER PURSUANT TO SUBSECTION D OF  
34 THIS SECTION.

35 2. NOTIFY THE UNITED STATES IMMIGRATION AND CUSTOMS ENFORCEMENT OF THE  
36 UNAUTHORIZED WORKER.

37 D. WITHIN TEN BUSINESS DAYS AFTER RECEIVING A CEASE AND DESIST ORDER  
38 UNDER SUBSECTION C OF THIS SECTION, THE EMPLOYER MAY EITHER:

39 1. REQUEST A HEARING PURSUANT TO CHAPTER 6, ARTICLE 10 OF THIS TITLE.

40 2. SERVE A NOTICE OF CONTEST OF THE CEASE AND DESIST ORDER, IN WHICH  
41 CASE THE ATTORNEY GENERAL MAY BRING AN ACTION IN SUPERIOR COURT, ADJUDICATED  
42 ON A TRIAL DE NOVO BASIS, SEEKING TO ENFORCE THE CEASE AND DESIST ORDER.

43 E. IF THE EMPLOYER REQUESTS A HEARING OR SERVES A NOTICE OF CONTEST  
44 PURSUANT TO SUBSECTION D OF THIS SECTION, THE CEASE AND DESIST ORDER IS NOT  
45 EFFECTIVE UNTIL TEN BUSINESS DAYS AFTER THE EXPIRATION OF ANY TIME PERIOD TO

1 APPEAL FROM THE FINAL ADMINISTRATIVE DECISION OF THE OFFICE OF ADMINISTRATIVE  
2 HEARINGS OR THE DECISION OF THE SUPERIOR COURT AND ANY SUBSEQUENT APPEALS.

3 F. FOR THE PURPOSES OF THIS SECTION, PROOF OF EITHER OF THE FOLLOWING  
4 CIRCUMSTANCES, UNLESS SATISFACTORILY EXPLAINED, CREATES A REBUTTABLE  
5 PRESUMPTION THAT AN EMPLOYER KNOWINGLY EMPLOYED AN UNAUTHORIZED WORKER:

6 1. THE EMPLOYER VIOLATED THE MINIMUM WAGE REQUIREMENTS PRESCRIBED BY  
7 THE FEDERAL FAIR LABOR STANDARDS ACT FOR THE EMPLOYEE WHO IS IDENTIFIED IN  
8 THE CEASE AND DESIST ORDER.

9 2. THE EMPLOYER ACCEPTS A CONSULAR IDENTIFICATION CARD THAT IS ISSUED  
10 BY A FOREIGN GOVERNMENT AS A FORM OF IDENTIFICATION WHEN DETERMINING THE  
11 EMPLOYEE'S IDENTITY.

12 41-1080.03. Employment of unauthorized workers; failure to  
13 comply with cease and desist order; civil cause  
14 of action

15 A. IF AN EMPLOYER FAILS TO COMPLY WITH THE CEASE AND DESIST ORDER  
16 UNDER SECTION 41-1080.02, THE ATTORNEY GENERAL MAY BRING A CIVIL CAUSE OF  
17 ACTION TO ASSESS A CIVIL PENALTY OF UP TO FIVE THOUSAND DOLLARS AND TO HAVE  
18 THE EMPLOYER'S LICENSE SUSPENDED OR REVOKED. IF THE COURT DETERMINES THAT  
19 THE EMPLOYER FAILED TO COMPLY WITH THE CEASE AND DESIST ORDER, THE COURT MAY  
20 ORDER THE EMPLOYER'S LICENSE TO BE SUSPENDED OR REVOKED BASED ON THE SEVERITY  
21 OF THE OFFENSE, EXCEPT THAT IF THE LICENSE IS ISSUED PURSUANT TO RULES  
22 ADOPTED BY THE SUPREME COURT THE COURT SHALL REFER THE MATTER TO THE SUPREME  
23 COURT TO DETERMINE WHETHER THE LICENSE SHALL BE SUSPENDED OR REVOKED. IF THE  
24 COURT ORDERS AN EMPLOYER'S LICENSE TO BE SUSPENDED OR REVOKED, THE COURT  
25 SHALL SUSPEND OR REVOKE THE EMPLOYER'S LICENSE IN ORDER TO PREVENT THE  
26 EMPLOYER FROM CONDUCTING BUSINESS AT THE BUSINESS LOCATION WHERE THE  
27 UNAUTHORIZED WORKER WHO IS IDENTIFIED IN THE CEASE AND DESIST ORDER IS  
28 EMPLOYED. IF THE COURT ORDERS AN EMPLOYER'S LICENSE TO BE SUSPENDED OR  
29 REVOKED PURSUANT TO THIS SECTION, THE COURT SHALL NOTIFY THE APPROPRIATE  
30 AGENCY AND, NOTWITHSTANDING SECTIONS 41-1064 AND 41-1092.11, THE APPROPRIATE  
31 AGENCY SHALL IMMEDIATELY SUSPEND THE EMPLOYER'S LICENSE FOR THE TIME PERIOD  
32 SPECIFIED BY THE COURT OR REVOKE THE EMPLOYER'S LICENSE.

33 B. IF AN EMPLOYER HAS A LICENSE REVOKED UNDER SUBSECTION A OF THIS  
34 SECTION, AN AGENCY SHALL NOT ISSUE A NEW LICENSE TO THE EMPLOYER UNTIL TWO  
35 YEARS AFTER THE DATE OF REVOCATION.

36 C. THE COURT SHALL COLLECT THE CIVIL PENALTY PRESCRIBED IN SUBSECTION  
37 A OF THIS SECTION AND REMIT THE CIVIL PENALTY TO THE SUPREME COURT, WHICH  
38 SHALL DEPOSIT, PURSUANT TO SECTIONS 35-146 AND 35-147, THE CIVIL PENALTY IN  
39 THE BORDER SECURITY FUND ESTABLISHED BY SECTION 41-2351.

40 D. THIS SECTION DOES NOT REQUIRE THE COURT TO ORDER THE SUSPENSION OR  
41 REVOCATION OF EVERY LICENSE THAT IS ISSUED TO THE EMPLOYER.

42 41-1080.04. State indemnification for employer actions

43 IF ANY ADMINISTRATIVE OR JUDICIAL ACTION IS BROUGHT AGAINST AN EMPLOYER  
44 BY A FORMER EMPLOYEE AS A RESULT OF THE EMPLOYER'S GOOD FAITH ACTIONS IN  
45 COMPLIANCE WITH THIS ARTICLE OR ANY ORDER, DETERMINATION OR NOTICE UNDER THIS

1 ARTICLE, THE STATE SHALL INDEMNIFY THE EMPLOYER AND PAY THE ACTUAL DAMAGES  
2 AND COSTS, INCLUDING ATTORNEY FEES, INCURRED BY THE EMPLOYER IN THE DEFENSE  
3 OF THE ADMINISTRATIVE OR JUDICIAL ACTION. THE STATE SHALL VERIFY AND PAY THE  
4 AMOUNT WITHIN FORTY-FIVE DAYS AFTER THE EMPLOYER SUBMITS THE ACTUAL DAMAGES  
5 AND COSTS TO THE STATE. ANY INDEMNIFICATION SHALL BE LIMITED ONLY TO ACTIONS  
6 SPECIFICALLY IDENTIFIED IN THIS ARTICLE.

7 41-1080.05. Expedited consideration

8 FOR ANY ACTION UNDER THIS ARTICLE, THE COURT SHALL EXPEDITE THE ACTION,  
9 INCLUDING ASSIGNING THE ACTION FOR HEARING AT THE EARLIEST PRACTICABLE DATE.

10 41-1080.06. Employer actions; federal law compliance

11 THIS ARTICLE DOES NOT REQUIRE AN EMPLOYER TO TAKE ANY ACTION THAT THE  
12 EMPLOYER BELIEVES IN GOOD FAITH WOULD VIOLATE FEDERAL LAW.

13 Sec. 17. Section 41-1279.03, Arizona Revised Statutes, is amended to  
14 read:

15 41-1279.03. Powers and duties

16 A. The auditor general shall:

17 1. Prepare an audit plan for approval by the committee and report to  
18 the committee the results of each audit and investigation and other reviews  
19 conducted by the auditor general.

20 2. Conduct or cause to be conducted at least biennial financial and  
21 compliance audits of financial transactions and accounts kept by or for all  
22 state agencies subject to the single audit act of 1984 (P.L. 98-502). The  
23 audits shall be conducted in accordance with generally accepted governmental  
24 auditing standards and accordingly shall include tests of the accounting  
25 records and other auditing procedures as may be considered necessary in the  
26 circumstances. The audits shall include the issuance of suitable reports as  
27 required by the single audit act of 1984 (P.L. 98-502) so the legislature,  
28 federal government and others will be informed as to the adequacy of  
29 financial statements of the state in compliance with generally accepted  
30 governmental accounting principles and to determine whether the state has  
31 complied with laws and regulations that may have a material effect on the  
32 financial statements and on major federal assistance programs.

33 3. Perform procedural reviews for all state agencies at times  
34 determined by the auditor general. These reviews may include evaluation of  
35 administrative and accounting internal controls and reports on such reviews.

36 4. Perform special research requests, special audits and related  
37 assignments as designated by the committee and conduct performance audits,  
38 special audits, special research requests and investigations of any state  
39 agency, whether created by the constitution or otherwise, as may be requested  
40 by the committee.

41 5. Annually on or before the fourth Monday of December prepare a  
42 written report to the governor and to the committee which contains a summary  
43 of activities for the previous fiscal year.

1           6. In the tenth year and in each fifth year thereafter in which a  
2 transportation excise tax is in effect in a county as provided in section  
3 42-6104, 42-6106 or 42-6107 conduct a performance audit that:

4           (a) Reviews past expenditures and future planned expenditures of the  
5 transportation excise revenues and determines the impact of the expenditures  
6 in solving transportation problems within the county and, for a  
7 transportation excise tax in effect in a county as provided in section  
8 42-6107, determines whether the expenditures of the transportation excise  
9 revenues comply with section 28-6392, subsection B.

10           (b) Reviews projects completed to date and projects to be completed  
11 during the remaining years in which a transportation excise tax is in effect.  
12 Within six months after each review period the auditor general shall present  
13 a report to the speaker of the house of representatives and the president of  
14 the senate detailing findings and making recommendations. If the parameters  
15 of the performance audit are set by the citizens transportation oversight  
16 committee, the auditor general shall also present the report to the citizens  
17 transportation oversight committee.

18           (c) Reviews, determines, reports and makes recommendations to the  
19 speaker of the house of representatives and the president of the senate  
20 whether the distribution of highway user revenues complies with title 28,  
21 chapter 18, article 2. If the parameters of the performance audit are set by  
22 the citizens transportation oversight committee, the auditor general shall  
23 also present the report to the citizens transportation oversight committee.

24           7. If requested by the committee, conduct performance audits of  
25 counties and incorporated cities and towns receiving highway user revenue  
26 fund monies pursuant to title 28, chapter 18, article 2 to determine if the  
27 monies are being spent as provided in section 28-6533, subsection B.

28           8. Perform special audits designated pursuant to law if the auditor  
29 general determines that there are adequate monies appropriated for the  
30 auditor general to complete the audit. If the auditor general determines the  
31 appropriated monies are inadequate, the auditor general shall notify the  
32 committee.

33           9. Beginning on July 1, 2001, establish a school-wide audit team in  
34 the office of the auditor general to conduct performance audits and monitor  
35 school districts to determine the percentage of every dollar spent in the  
36 classroom by a school district. The auditor general shall determine, through  
37 random selection, the school districts to be audited each year, subject to  
38 review by the joint legislative audit committee. A school district that is  
39 subject to an audit pursuant to this paragraph shall notify the auditor  
40 general in writing as to whether the school district agrees or disagrees with  
41 the findings and recommendations of the audit and whether the school district  
42 will implement the findings and recommendations, implement modifications to  
43 the findings and recommendations or refuse to implement the findings and  
44 recommendations. The school district shall submit to the auditor general a  
45 written status report on the implementation of the audit findings and

1 recommendations every six months for two years after an audit conducted  
2 pursuant to this paragraph. The auditor general shall review the school  
3 district's progress toward implementing the findings and recommendations of  
4 the audit every six months after receipt of the district's status report for  
5 two years. The auditor general may review a school district's progress  
6 beyond this two-year period for recommendations that have not yet been  
7 implemented by the school district. The auditor general shall provide a  
8 status report of these reviews to the joint legislative audit committee. The  
9 school district shall participate in any hearing scheduled during this review  
10 period by the joint legislative audit committee or by any other legislative  
11 committee designated by the joint legislative audit committee.

12 **10. FOR EACH AGENCY AUDIT, REVIEW OR INVESTIGATION, CONDUCT AN AUDIT**  
13 **FOR ADHERENCE TO IMMIGRATION EMPLOYMENT PRACTICES OF THE AGENCY.**

14 B. The auditor general may:

15 1. Subject to approval by the committee, adopt rules necessary to  
16 administer the duties of the office.

17 2. Hire consultants to conduct the studies required by subsection A,  
18 paragraphs 6 and 7 of this section.

19 C. If approved by the committee the auditor general may charge a  
20 reasonable fee for the cost of performing audits or providing accounting  
21 services for auditing federal funds, special audits or special services  
22 requested by political subdivisions of the state. Monies collected pursuant  
23 to this subsection shall be deposited in the audit services revolving fund.

24 D. The department of transportation, the board of supervisors of a  
25 county that has approved a county transportation excise tax as provided in  
26 section 42-6104, 42-6106 or 42-6107 and the governing bodies of counties,  
27 cities and towns receiving highway user revenue fund monies shall cooperate  
28 with and provide necessary information to the auditor general or the auditor  
29 general's consultant.

30 E. The department of transportation shall reimburse the auditor  
31 general as follows, and the auditor general shall deposit the reimbursed  
32 monies in the audit services revolving fund:

33 1. For the cost of conducting the studies or hiring a consultant to  
34 conduct the studies required by subsection A, paragraph 6, subdivisions (a)  
35 and (b) of this section, from monies collected pursuant to a county  
36 transportation excise tax levied pursuant to section 42-6104, 42-6106 or  
37 42-6107.

38 2. For the cost of conducting the studies or hiring a consultant  
39 pursuant to subsection A, paragraph 6, subdivision (c) and paragraph 7 of  
40 this section, from the Arizona highway user revenue fund.

41 Sec. 18. Title 41, chapter 7, article 12, Arizona Revised Statutes, is  
42 amended by adding section 41-1292.01, to read:

43 41-1292.01. Joint legislative committee on immigration

44 **A. THE JOINT LEGISLATIVE COMMITTEE ON IMMIGRATION IS ESTABLISHED. THE**  
45 **COMMITTEE CONSISTS OF:**

1           1. THREE MEMBERS OF THE SENATE WHO ARE APPOINTED BY THE PRESIDENT OF  
2 THE SENATE, NO MORE THAN TWO OF WHOM ARE MEMBERS OF THE SAME POLITICAL PARTY.

3           2. THREE MEMBERS OF THE HOUSE OF REPRESENTATIVES WHO ARE APPOINTED BY  
4 THE SPEAKER OF THE HOUSE OF REPRESENTATIVES, NO MORE THAN TWO OF WHOM ARE  
5 MEMBERS OF THE SAME POLITICAL PARTY.

6           B. THE COMMITTEE SHALL REVIEW THE REPORTS RECEIVED FROM THE ATTORNEY  
7 GENERAL PURSUANT TO SECTION 41-199 AND SHALL REVIEW THE IMPLEMENTATION AND  
8 ENFORCEMENT OF THE FOLLOWING STATUTES:

9           1. ENFORCEMENT OF IMMIGRATION LAWS PURSUANT TO TITLE 11, CHAPTER 7,  
10 ARTICLE 8.

11           2. TRESPASSING BY ILLEGAL ALIENS PURSUANT TO SECTION 13-1509.

12           3. SMUGGLING OF HUMAN BEINGS PURSUANT TO SECTION 13-2319.

13           4. BORDER RADAR PURSUANT TO TITLE 26, CHAPTER 2, ARTICLE 4.

14           5. ARIZONA BORDER ENFORCEMENT SECURITY TEAM PURSUANT TO CHAPTER 20 OF  
15 THIS TITLE. THE COMMITTEE SHALL SPECIFICALLY REVIEW THE GRANTS THAT ARE MADE  
16 PURSUANT TO CHAPTER 20 OF THIS TITLE, INCLUDING A REVIEW OF THE TOTAL NUMBER  
17 OF GRANTS, THE TOTAL AMOUNT OF GRANTS AND THE USEFULNESS AND EFFECTIVENESS OF  
18 THE GRANTS THAT WERE MADE.

19           6. SECURE AND VERIFIABLE IDENTIFICATION PURSUANT TO CHAPTER 41 OF THIS  
20 TITLE.

21           C. THE COMMITTEE SHALL ANNUALLY MAKE RECOMMENDATIONS TO THE  
22 LEGISLATURE THAT WILL SECURE THE BORDERS, PREVENT UNAUTHORIZED BORDER  
23 CROSSINGS AND IMPROVE THE ENFORCEMENT OF IMMIGRATION LAWS IN THIS STATE.

24           D. THE COMMITTEE SHALL SUBMIT A REPORT WITH ITS RECOMMENDATIONS ON OR  
25 BEFORE DECEMBER 1 OF EACH YEAR TO THE GOVERNOR, THE PRESIDENT OF THE SENATE  
26 AND THE SPEAKER OF THE HOUSE OF REPRESENTATIVES.

27           E. THE COMMITTEE SHALL PROVIDE A COPY OF THE REPORT TO THE SECRETARY  
28 OF STATE AND THE DIRECTOR OF THE ARIZONA STATE LIBRARY, ARCHIVES AND PUBLIC  
29 RECORDS.

30           Sec. 19. Section 41-1376, Arizona Revised Statutes, is amended to  
31 read:

32           41-1376. Powers and duties

33           A. The ombudsman-citizens aide shall:

34           1. Investigate the administrative acts of agencies pursuant to section  
35 41-1377, subsections A and B except as provided in section 41-1377,  
36 subsections C, D and E. The ombudsman-citizens aide shall investigate the  
37 administrative acts of an agency without regard to the finality of the  
38 administrative act.

39           2. Annually before January 1 prepare a written report to the governor,  
40 the legislature and the public that contains a summary of the  
41 ombudsman-citizens aide's activities during the previous fiscal year. The  
42 ombudsman-citizens aide shall semiannually present this report before the  
43 legislative council. This report shall include:

- 1 (a) The ombudsman-citizens aide's mission statement.
- 2 (b) The number of matters that were within each of the categories
- 3 specified in section 41-1379, subsection B.
- 4 (c) Legislative issues affecting the ombudsman-citizens aide.
- 5 (d) Selected case studies that illustrate the ombudsman-citizens
- 6 aide's work and reasons for complaints.
- 7 (e) Ombudsman-citizens aide's contact statistics.
- 8 (f) Ombudsman-citizens aide's staff.

9 3. Before conducting the first investigation, adopt rules that ensure  
10 that confidential information that is gathered will not be disclosed.

11 4. Appoint a deputy ombudsman and prescribe the duties of employees  
12 or, subject to appropriation, contract for the services of independent  
13 contractors necessary to administer the duties of the office of  
14 ombudsman-citizens aide. All staff serves at the pleasure of the  
15 ombudsman-citizens aide, and they are exempt from chapter 4, articles 5 and 6  
16 of this title. All staff shall be subject to the conflict of interest  
17 provisions of title 38, chapter 3, article 8.

18 5. Before conducting the first investigation, adopt rules that  
19 establish procedures for receiving and processing complaints, including  
20 guidelines to ensure each complainant has exhausted all reasonable  
21 alternatives within the agency, conducting investigations, incorporating  
22 agency responses into recommendations and reporting findings.

23 6. Notify the chief executive or administrative officer of the agency  
24 in writing of the intention to investigate unless notification would unduly  
25 hinder the investigation or make the investigation ineffectual.

26 7. Appoint an assistant to help the ombudsman-citizens aide  
27 investigate complaints relating to child protective services in the  
28 department of economic security. The assistant shall have expertise in child  
29 protective services procedures and laws. Notwithstanding any law to the  
30 contrary, the ombudsman-citizens aide and the assistant have access to child  
31 protective services records and to any automated case management system used  
32 by child protective services in the department of economic security.

33 8. APPOINT AN IMMIGRATION OMBUDSMAN-CITIZENS AIDE WHO SHALL PROVIDE  
34 IMMIGRATION INFORMATION TO EMPLOYERS PURSUANT TO SECTION 41-1384. THE  
35 IMMIGRATION OMBUDSMAN-CITIZENS AIDE SERVES AT THE PLEASURE OF THE  
36 OMBUDSMAN-CITIZENS AIDE.

37 B. After the conclusion of an investigation and notice to the head of  
38 the agency pursuant to section 41-1379, the ombudsman-citizens aide may  
39 present the ombudsman-citizens aide's opinion and recommendations to the  
40 governor, the legislature, the office of the appropriate prosecutor or the  
41 public, or any combination of these persons. The ombudsman-citizens aide  
42 shall include in the opinion the reply of the agency, including those issues  
43 that were resolved as a result of the ombudsman-citizens aide's preliminary  
44 opinion or recommendation.



1 ACROSS STATE LINES TO DETENTION CENTERS, IN THE ENFORCEMENT OF THE  
2 IMMIGRATION LAWS OF THE UNITED STATES.

3 B. THE DIRECTOR SHALL ENTER INTO A MEMORANDUM OF UNDERSTANDING WITH  
4 THE UNITED STATES DEPARTMENT OF JUSTICE OR THE UNITED STATES DEPARTMENT OF  
5 HOMELAND SECURITY TO DESIGNATE OFFICERS AS IMMIGRATION OFFICERS QUALIFIED TO  
6 INVESTIGATE, APPREHEND AND DETAIN ILLEGAL ALIENS IN THE UNITED STATES TO THE  
7 FULLEST EXTENT CONSISTENT WITH STATE AND FEDERAL LAW.

8 C. THE DIRECTOR SHALL IMPLEMENT A PROGRAM TO TRAIN PEACE OFFICERS TO  
9 INVESTIGATE VIOLATIONS OF FEDERAL IMMIGRATION LAWS.

10 D. THE REQUIREMENTS AND OBLIGATIONS OF THIS SECTION SHALL BE  
11 IMPLEMENTED IN A MANNER FULLY CONSISTENT WITH FEDERAL LAW REGULATING  
12 IMMIGRATION AND PROTECTING THE CIVIL RIGHTS OF CITIZENS AND ALIENS.

13 E. FOR THE PURPOSES OF THIS SECTION, "PEACE OFFICER" HAS THE SAME  
14 MEANING PRESCRIBED IN SECTION 13-105.

15 Sec. 23. Title 41, Arizona Revised Statutes, is amended by adding  
16 chapter 20, to read:

17 CHAPTER 20

18 ARIZONA BORDER ENFORCEMENT SECURITY TEAM

19 ARTICLE 1. GENERAL PROVISIONS

20 41-2351. Arizona border enforcement security team; members;  
21 powers and duties; fund; limitation

22 A. THE ARIZONA BORDER ENFORCEMENT SECURITY TEAM IS ESTABLISHED  
23 CONSISTING OF THE FOLLOWING MEMBERS:

24 1. THE DIRECTOR OF THE DEPARTMENT OF PUBLIC SAFETY OR THE DIRECTOR'S  
25 DESIGNEE.

26 2. ONE MEMBER OF THE HOUSE OF REPRESENTATIVES WHO IS APPOINTED BY THE  
27 SPEAKER OF THE HOUSE OF REPRESENTATIVES.

28 3. ONE MEMBER OF THE SENATE WHO IS APPOINTED BY THE PRESIDENT OF THE  
29 SENATE.

30 4. ONE MEMBER OF THE PUBLIC WHO IS APPOINTED BY THE SPEAKER OF THE  
31 HOUSE OF REPRESENTATIVES.

32 5. ONE MEMBER OF THE PUBLIC WHO IS APPOINTED BY THE PRESIDENT OF THE  
33 SENATE.

34 6. ONE MUNICIPAL LAW ENFORCEMENT MEMBER WHO IS APPOINTED BY THE  
35 ARIZONA ASSOCIATION OF CHIEFS OF POLICE FROM A SOUTHERN ARIZONA BORDER CITY.

36 7. TWO COUNTY LAW ENFORCEMENT MEMBERS WHO ARE APPOINTED BY THE ARIZONA  
37 COUNTY SHERIFFS ASSOCIATION, ONE OF WHOM SHALL BE FROM A COUNTY WITH A  
38 POPULATION OF MORE THAN ONE MILLION FIVE HUNDRED THOUSAND PERSONS AND ONE OF  
39 WHOM SHALL BE FROM A SOUTHERN ARIZONA BORDER COUNTY.

40 8. ONE CITY PROSECUTOR WHO IS APPOINTED BY THE ARIZONA PROSECUTING  
41 ATTORNEYS ADVISORY COUNCIL.

42 9. TWO COUNTY ATTORNEYS WHO ARE APPOINTED BY THE ARIZONA PROSECUTING  
43 ATTORNEYS ADVISORY COUNCIL, ONE OF WHOM SHALL BE FROM A COUNTY WITH A  
44 POPULATION OF MORE THAN ONE MILLION FIVE HUNDRED THOUSAND PERSONS.

1           B. MEMBERS SERVE AT THE PLEASURE OF THE APPOINTING OFFICER AND, IN THE  
2 CASE OF ELECTED OFFICIALS, UNTIL THEIR ELECTIVE TERM OF OFFICE EXPIRES.  
3           C. MEMBERS APPOINTED PURSUANT TO SUBSECTION A, PARAGRAPHS 4 THROUGH 9  
4 OF THIS SECTION SHALL SERVE STAGGERED THREE YEAR TERMS.  
5           D. MEMBERS APPOINTED PURSUANT TO SUBSECTION A, PARAGRAPHS 2 AND 3 OF  
6 THIS SECTION SHALL SERVE AS ADVISORY NONVOTING MEMBERS AND ARE NOT MEMBERS  
7 FOR PURPOSES OF DETERMINING WHETHER A QUORUM IS PRESENT.  
8           E. THE VOTING MEMBERS SHALL ANNUALLY ELECT A CHAIRPERSON FROM AMONG  
9 THE MEMBERS AND A MEMBER SHALL NOT SERVE CONSECUTIVE TERMS AS CHAIRPERSON.  
10          F. MEMBERS ARE NOT ELIGIBLE TO RECEIVE COMPENSATION BUT VOTING MEMBERS  
11 ARE ELIGIBLE FOR REIMBURSEMENT OF EXPENSES PURSUANT TO TITLE 38, CHAPTER 4,  
12 ARTICLE 2.  
13          G. THE TEAM MAY USE THE STAFF OF THE DEPARTMENT OF EMERGENCY AND  
14 MILITARY AFFAIRS AND THE DEPARTMENT'S FACILITIES FOR MEETINGS.  
15          H. THE TEAM MAY ENTER INTO INTERAGENCY AGREEMENTS FOR TEAM BUSINESS.  
16          I. THE TEAM SHALL:  
17            1. AFTER REVIEW BY THE JOINT LEGISLATIVE BUDGET COMMITTEE, MAKE GRANTS  
18 FROM ONE-HALF OF THE MONIES IN THE BORDER SECURITY FUND ESTABLISHED BY  
19 SUBSECTION K OF THIS SECTION TO COUNTIES FOR INCARCERATION OPERATING  
20 EXPENSES, INCLUDING TEMPORARY AND MOVABLE DETAINMENT FACILITIES, TENTS FOR  
21 IMMIGRATION CONTROL AND OPERATING AND PERSONNEL COSTS FOR THE DETAINMENT  
22 FACILITIES.  
23            2. AFTER REVIEW BY THE JOINT LEGISLATIVE BUDGET COMMITTEE, MAKE GRANTS  
24 FROM ONE-HALF OF THE MONIES IN THE BORDER SECURITY FUND ESTABLISHED BY  
25 SUBSECTION K OF THIS SECTION TO CITY, TOWN AND COUNTY LAW ENFORCEMENT  
26 AGENCIES, CITY AND TOWN PROSECUTORS AND COUNTY ATTORNEYS FOR BORDER SECURITY  
27 PERSONNEL, PHYSICAL BARRIERS AND ANY OTHER IMMIGRATION ENFORCEMENT PURPOSES.  
28 THE TEAM MAY ALSO MAKE A GRANT TO THE DEPARTMENT OF TRANSPORTATION TO  
29 CONSTRUCT AN UNPAVED SOUTHERN ARIZONA BORDER ROAD. THE DEPARTMENT OF  
30 TRANSPORTATION MAY WORK IN COOPERATION WITH THE DEPARTMENT OF CORRECTIONS TO  
31 CONSTRUCT THE ROAD.  
32            3. RECEIVE QUARTERLY REPORTS FROM THE ENTITIES RECEIVING GRANTS AND  
33 EVALUATE THEIR EFFECTIVENESS.  
34            4. ON OR BEFORE DECEMBER 1 OF EACH YEAR, SUBMIT TO THE GOVERNOR, THE  
35 PRESIDENT OF THE SENATE, THE SPEAKER OF THE HOUSE OF REPRESENTATIVES AND THE  
36 JOINT LEGISLATIVE BUDGET COMMITTEE A WRITTEN REPORT ON THE EFFECTIVENESS OF  
37 THE GRANTS PROVIDED AND PROVIDE A COPY OF THIS REPORT TO THE SECRETARY OF  
38 STATE AND THE DIRECTOR OF THE ARIZONA STATE LIBRARY, ARCHIVES AND PUBLIC  
39 RECORDS.  
40          J. THE TEAM SHALL NOT MAKE GRANTS TO ANY CITY, TOWN OR COUNTY THAT IS  
41 NOT IN FULL COMPLIANCE WITH SECTION 11-1051, OR THAT HAS ANY SANCTUARY POLICY  
42 INVOLVING ANY FORM OF AID TO ILLEGAL ALIENS OR ANY REDUCED ENFORCEMENT OF  
43 ILLEGAL IMMIGRATION, AS DETERMINED BY THE TEAM.  
44          K. THE BORDER SECURITY FUND IS ESTABLISHED CONSISTING OF CIVIL  
45 PENALTIES DEPOSITED PURSUANT TO SECTIONS 13-1509, 23-215, 23-222 AND

1 41-1080.03, LEGISLATIVE APPROPRIATIONS, GIFTS AND GRANTS. THE TEAM SHALL  
2 ADMINISTER THE FUND. MONIES IN THE FUND ARE CONTINUOUSLY APPROPRIATED AND  
3 ARE EXEMPT FROM THE PROVISIONS OF SECTION 35-190 RELATING TO LAPSING OF  
4 APPROPRIATIONS. ON NOTICE FROM THE TEAM, THE STATE TREASURER SHALL INVEST  
5 AND DIVEST MONIES IN THE FUND AS PROVIDED IN SECTION 35-313, AND MONIES  
6 EARNED FROM INVESTMENTS SHALL BE CREDITED TO THE FUND.

7 Sec. 24. Title 41, chapter 27, article 2, Arizona Revised Statutes, is  
8 amended by adding section 41-3016.01, to read:

9 41-3016.01. Arizona border enforcement security team;  
10 termination July 1, 2016

11 A. THE ARIZONA BORDER ENFORCEMENT SECURITY TEAM TERMINATES ON JULY 1,  
12 2016.

13 B. TITLE 41, CHAPTER 20 IS REPEALED ON JANUARY 1, 2017.

14 Sec. 25. Title 41, Arizona Revised Statutes, is amended by adding  
15 chapter 41, to read:

16 CHAPTER 41

17 SECURE AND VERIFIABLE IDENTIFICATION

18 ARTICLE 1. GENERAL PROVISIONS

19 41-4251. Identification requirements; exceptions; consequences;  
20 definitions

21 A. FOR THE DISBURSEMENT OF PUBLIC SERVICES, INCLUDING LAW ENFORCEMENT  
22 SERVICES, IN THIS STATE THAT REQUIRE RECIPIENTS TO PRODUCE IDENTIFICATION, A  
23 DEPARTMENT, AGENCY, COMMISSION, BOARD OR DISTRICT OF THIS STATE OR A  
24 POLITICAL SUBDIVISION OF THIS STATE SHALL NOT ACCEPT OR RECOGNIZE ANY  
25 IDENTIFICATION DOCUMENT UNLESS THE DOCUMENT WAS ISSUED BY A POLITICAL  
26 SUBDIVISION OF THIS STATE, A FEDERALLY RECOGNIZED INDIAN TRIBE OR A STATE OR  
27 FEDERAL AUTHORITY AND IS VERIFIABLE BY A LAW ENFORCEMENT OR HOMELAND SECURITY  
28 AGENCY. LAW ENFORCEMENT SERVICES SHALL NOT BE WITHHELD BECAUSE OF THE  
29 PRESENTATION OF AN UNVERIFIABLE IDENTIFICATION DOCUMENT, BUT THE UNVERIFIABLE  
30 DOCUMENT CANNOT BE USED TO ESTABLISH IDENTITY. A POLITICAL SUBDIVISION OF  
31 THIS STATE SHALL NOT AUTHORIZE ACCEPTANCE OF AN UNVERIFIABLE IDENTIFICATION  
32 DOCUMENT AND A PUBLIC OFFICIAL ACTING IN THE CAPACITY OF A PUBLIC OFFICIAL  
33 SHALL NOT ACCEPT, ACKNOWLEDGE OR RECOGNIZE ANYTHING OTHER THAN A VERIFIABLE  
34 IDENTIFICATION DOCUMENT. FOR THE PURPOSE OF ISSUING ANY FORM OF  
35 IDENTIFICATION, LICENSE, PERMIT OR OFFICIAL DOCUMENT TO ANY PERSON, A  
36 POLITICAL SUBDIVISION OF THIS STATE SHALL NOT RELY ON, OR USE IN ANY MANNER,  
37 ANY DOCUMENT OTHER THAN A VERIFIABLE IDENTIFICATION DOCUMENT.

38 B. AN EXCEPTION TO THIS SECTION SHALL BE MADE ONLY AS REQUIRED BY  
39 TREATY OR FEDERAL LAW OR FOR THE PURPOSE OF REPORTING A CRIME. AN ACTION  
40 THAT IS KNOWINGLY TAKEN AND THAT IS INCONSISTENT WITH THIS SECTION IS DEEMED  
41 TO BE OUTSIDE OF THE OFFICIAL CAPACITY OF THE AGENCY, OFFICER, ELECTED  
42 OFFICIAL, AGENT OR EMPLOYEE AND IS NOT PROTECTED BY GOVERNMENTAL IMMUNITY.

43 C. FOR THE PURPOSES OF THIS ARTICLE:

44 1. "LAW ENFORCEMENT AGENCY" MEANS ANY LAW ENFORCEMENT OR INTELLIGENCE  
45 AGENCY, DEPARTMENT OR AUTHORITY OF THE UNITED STATES GOVERNMENT, A STATE

1 GOVERNMENT OR A POLITICAL SUBDIVISION OF THE UNITED STATES GOVERNMENT OR A  
2 STATE GOVERNMENT.

3 2. "PUBLIC SERVICES" MEANS SERVICES FUNDED IN WHOLE OR IN PART BY  
4 STATE OR LOCAL TAX REVENUES.

5 3. "VERIFIABLE" MEANS THAT THE ISSUANCE OF A DOCUMENT BY THE ISSUING  
6 AGENCY TO THE INDIVIDUAL NAMED ON THE DOCUMENT IS CAPABLE OF BEING CONFIRMED  
7 ON REQUEST BY A UNITED STATES LAW ENFORCEMENT AGENCY.

8 Sec. 26. Section 43-1021, Arizona Revised Statutes, as amended by Laws  
9 2006, chapter 76, section 5, is amended to read:

10 43-1021. Additions to Arizona gross income

11 In computing Arizona adjusted gross income, the following amounts shall  
12 be added to Arizona gross income:

13 1. A beneficiary's share of the fiduciary adjustment to the extent  
14 that the amount determined by section 43-1333 increases the beneficiary's  
15 Arizona gross income.

16 2. An amount equal to the "ordinary income portion" of a lump sum  
17 distribution that was excluded from federal adjusted gross income pursuant to  
18 section 402(d) of the internal revenue code.

19 3. The amount of interest income received on obligations of any state,  
20 territory or possession of the United States, or any political subdivision  
21 thereof, located outside the state of Arizona, reduced, for tax years  
22 beginning from and after December 31, 1996, by the amount of any interest on  
23 indebtedness and other related expenses that were incurred or continued to  
24 purchase or carry those obligations and that are not otherwise deducted or  
25 subtracted in arriving at Arizona gross income.

26 4. Annuity income received during the taxable year to the extent that  
27 the sum of the proceeds received from such annuity in all taxable years prior  
28 to and including the current taxable year exceeds the total consideration and  
29 premiums paid by the taxpayer. This paragraph applies only to those  
30 annuities with respect to which the first payment was received prior to  
31 December 31, 1978.

32 5. The excess of a partner's share of partnership taxable income  
33 required to be included under chapter 14, article 2 of this title over the  
34 income required to be reported under section 702(a)(8) of the internal  
35 revenue code.

36 6. The excess of a partner's share of partnership losses determined  
37 pursuant to section 702(a)(8) of the internal revenue code over the losses  
38 allowable under chapter 14, article 2 of this title.

39 7. The amount by which the adjusted basis of property described in  
40 this paragraph and computed pursuant to the internal revenue code exceeds the  
41 adjusted basis of such property computed pursuant to this title and the  
42 income tax act of 1954, as amended. This paragraph shall apply to all  
43 property which is held for the production of income and which is sold or  
44 otherwise disposed of during the taxable year, except depreciable property  
45 used in a trade or business.

1           8. The amount of depreciation or amortization of costs of any capital  
2 investment that is deducted pursuant to section 167 or 179 of the internal  
3 revenue code by a qualified defense contractor with respect to which an  
4 election is made to amortize pursuant to section 43-1024.

5           9. The amount of gain from the sale or other disposition of a capital  
6 investment which a qualified defense contractor has elected to amortize  
7 pursuant to section 43-1024.

8           10. Amounts withdrawn from the Arizona state retirement system, the  
9 corrections officer retirement plan, the public safety personnel retirement  
10 system, the elected officials' retirement plan or a county or city retirement  
11 plan by an employee upon termination of employment before retirement to the  
12 extent they were deducted in arriving at Arizona taxable income in any year.

13           11. That portion of the net operating loss included in federal adjusted  
14 gross income which has already been taken as a net operating loss for Arizona  
15 purposes or which is separately taken as a subtraction under the special net  
16 operating loss transition rule.

17           12. Any nonitemized amount deducted pursuant to section 170 of the  
18 internal revenue code representing contributions to an educational  
19 institution which denies admission, enrollment or board and room  
20 accommodations on the basis of race, color or ethnic background except those  
21 institutions primarily established for the education of American Indians.

22           13. The amount paid as taxes on property in this state with respect to  
23 which a credit is claimed under section 43-1078.

24           14. Amounts withdrawn from a medical savings account by the individual  
25 during the taxable year computed pursuant to section 220(f) of the internal  
26 revenue code and not included in federal adjusted gross income.

27           15. Any amount of agricultural water conservation expenses that were  
28 deducted pursuant to the internal revenue code for which a credit is claimed  
29 under section 43-1084.

30           16. The amount by which the depreciation or amortization computed under  
31 the internal revenue code with respect to property for which a credit was  
32 taken under section 43-1080 exceeds the amount of depreciation or  
33 amortization computed pursuant to the internal revenue code on the Arizona  
34 adjusted basis of the property.

35           17. The amount by which the adjusted basis computed under the internal  
36 revenue code with respect to property for which a credit was claimed under  
37 section 43-1080 and which is sold or otherwise disposed of during the taxable  
38 year exceeds the adjusted basis of the property computed under section  
39 43-1080.

40           18. The amount by which the depreciation or amortization computed under  
41 the internal revenue code with respect to property for which a credit was  
42 taken under either section 43-1081 or 43-1081.01 exceeds the amount of  
43 depreciation or amortization computed pursuant to the internal revenue code  
44 on the Arizona adjusted basis of the property.

1           19. The amount by which the adjusted basis computed under the internal  
2 revenue code with respect to property for which a credit was claimed under  
3 section 43-1074.02, 43-1081 or 43-1081.01 and which is sold or otherwise  
4 disposed of during the taxable year exceeds the adjusted basis of the  
5 property computed under section 43-1074.02, 43-1081 or 43-1081.01, as  
6 applicable.

7           20. The deduction referred to in section 1341(a)(4) of the internal  
8 revenue code for restoration of a substantial amount held under a claim of  
9 right.

10          21. The amount by which a net operating loss carryover or capital loss  
11 carryover allowable pursuant to section 1341(b)(5) of the internal revenue  
12 code exceeds the net operating loss carryover or capital loss carryover  
13 allowable pursuant to section 43-1029, subsection F.

14          22. Any amount deducted pursuant to section 170 of the internal revenue  
15 code representing contributions to a school tuition organization or a public  
16 school for which a credit is claimed under section 43-1089 or 43-1089.01.

17          23. Any amount deducted in computing Arizona gross income as expenses  
18 for installing solar stub outs or electric vehicle recharge outlets in this  
19 state with respect to which a credit is claimed pursuant to section 43-1090.

20          24. Any wage expenses deducted pursuant to the internal revenue code  
21 for which a credit is claimed under section 43-1087 and representing net  
22 increases in qualified employment positions for employment of temporary  
23 assistance for needy families recipients.

24          25. Any amount deducted for conveying ownership or development rights  
25 of property to an agricultural preservation district under section 48-5702  
26 for which a credit is claimed under section 43-1081.02.

27          26. The amount of any depreciation allowance allowed pursuant to  
28 section 167(a) of the internal revenue code to the extent not previously  
29 added.

30          27. With respect to property for which an expense deduction was taken  
31 pursuant to section 179 of the internal revenue code, the amount in excess of  
32 twenty-five thousand dollars.

33          28. The amount of any deductions that are claimed in computing federal  
34 adjusted gross income representing expenses for which a credit is claimed  
35 under section 43-1075.

36          29. The amount by which the depreciation or amortization computed under  
37 the internal revenue code with respect to property for which a credit was  
38 taken under section 43-1090.01 exceeds the amount of depreciation or  
39 amortization computed pursuant to the internal revenue code on the Arizona  
40 adjusted basis of the property.

41          30. The amount by which the adjusted basis computed under the internal  
42 revenue code with respect to property for which a credit was claimed under  
43 section 43-1090.01 and which is sold or otherwise disposed of during the  
44 taxable year exceeds the adjusted basis of the property computed under  
45 section 43-1090.01.

1           31. THE AMOUNT OF SALARY OR OTHER COMPENSATION THAT IS PAID TO AN  
2 UNAUTHORIZED WORKER WHO IS KNOWINGLY HIRED BY THE TAXPAYER AND THAT IS  
3 DEDUCTED AS A BUSINESS EXPENSE UNDER SECTION 162 OF THE INTERNAL REVENUE  
4 CODE. FOR THE PURPOSES OF THIS PARAGRAPH:

5           (a) "UNAUTHORIZED WORKER" MEANS A PERSON WHO IS AN ALIEN AND WHO IS  
6 NOT AUTHORIZED TO BE EMPLOYED UNDER FEDERAL LAW.

7           (b) "ALIEN" MEANS A PERSON WHO IS NOT A CITIZEN OR NATIONAL OF THE  
8 UNITED STATES.

9           Sec. 27. Section 46-801, Arizona Revised Statutes, is amended to read:

10           46-801. Definitions

11           In this chapter, unless the context otherwise requires:

12           1. "Caretaker relative" means a relative who exercises responsibility  
13 for the day-to-day physical care, guidance and support of a child who  
14 physically resides with the relative and who is by affinity or consanguinity  
15 or by court decree a grandparent, great-grandparent, sibling of the whole or  
16 half blood, stepbrother, stepsister, aunt, uncle, great-aunt, great-uncle or  
17 first cousin.

18           2. "Cash assistance" has the same meaning prescribed in section  
19 46-101.

20           3. "Child" means a person who is under thirteen years of age.

21           4. "Child care" means the compensated service that is provided to a  
22 child who is unaccompanied by a parent or guardian during a portion of a  
23 twenty-four hour day.

24           5. "Child care assistance" means any money payments for child care  
25 services that are paid by the department and that are paid for the benefit of  
26 an eligible family.

27           6. "Child care home provider" means a person who is at least eighteen  
28 years of age, who is not the parent, guardian, caretaker relative or  
29 noncertified relative provider of a child needing child care and who is  
30 certified by the department to care for four or fewer children for  
31 compensation with child care assistance monies.

32           7. "Child care providers" means child care facilities licensed  
33 pursuant to title 36, chapter 7.1, article 1, child care group homes  
34 certified pursuant to title 36, chapter 7.1, article 4, child care home  
35 providers, in-home providers, noncertified relative providers and regulated  
36 child care on military installations or for federally recognized Indian  
37 tribes.

38           8. "Eligible family" means **CITIZENS OR LEGAL RESIDENTS OF THE UNITED**  
39 **STATES OR INDIVIDUALS WHO ARE OTHERWISE LAWFULLY PRESENT IN THE UNITED STATES**  
40 **AND WHO ARE** parents, legal guardians or caretaker relatives with legal  
41 residence in this state and children in their care who meet the eligibility  
42 requirements for child care assistance.

43           9. "Federal poverty level" means the poverty guidelines that are  
44 issued by the United States department of health and human services pursuant

1 to section 673(2) of the omnibus budget reconciliation act of 1981 and that  
2 are reported annually in the federal register.

3 10. "In-home provider" means a provider who is certified by the  
4 department to care for a child of an eligible family in the child's own home  
5 and is compensated with child care assistance monies.

6 11. "Noncertified relative provider" means a person who is at least  
7 eighteen years of age, who provides child care services to an eligible child,  
8 who is by affinity or consanguinity or by court decree the grandparent,  
9 great-grandparent, sibling not residing in the same household, aunt,  
10 great-aunt, uncle or great-uncle of the eligible child and who meets the  
11 department's requirements to be a noncertified relative provider.

12 12. "Parent" or "parents" means the natural or adoptive parents of a  
13 child.

14 Sec. 28. Section 46-803, Arizona Revised Statutes, is amended to read:

15 46-803. Eligibility for child care assistance

16 A. The department shall provide child care assistance to eligible  
17 families who are attempting to achieve independence from the cash assistance  
18 program and who need child care assistance in support of and as specified in  
19 their personal responsibility agreement pursuant to chapters 1 and 2 of this  
20 title.

21 B. The department shall provide child care assistance to eligible  
22 families who are transitioning off of cash assistance due to increased  
23 earnings or child support income in order to accept or maintain employment.  
24 Eligible families must request this assistance within six months after the  
25 cash assistance case closure. Child care assistance may be provided for up  
26 to twenty-four months after the case closure and shall cease whenever the  
27 family income exceeds one hundred sixty-five per cent of the federal poverty  
28 level.

29 C. The department shall provide child care assistance to eligible  
30 families who are diverted from cash assistance pursuant to section 46-298 in  
31 order to obtain or maintain employment. Child care assistance may be  
32 provided for up to twenty-four months after the case closure and shall cease  
33 whenever the family income exceeds one hundred sixty-five per cent of the  
34 federal poverty level.

35 D. The department may provide child care assistance to support  
36 eligible families with incomes of one hundred sixty-five per cent or less of  
37 the federal poverty level to accept or maintain employment. Priority for  
38 this child care assistance shall be given to families with incomes of one  
39 hundred per cent or less of the federal poverty level.

40 E. The department may provide child care assistance to families  
41 referred by child protective services and to children in foster care pursuant  
42 to title 8, chapter 5 to support child protection.

43 F. The department may provide child care assistance to special  
44 circumstance families whose incomes are one hundred sixty-five per cent or  
45 less of the federal poverty level and who are unable to provide child care

1 for a portion of a twenty-four hour day due to a crisis situation of domestic  
2 violence or homelessness, or a physical, mental, emotional or medical  
3 condition, participation in a drug treatment or drug rehabilitation program  
4 or court ordered community restitution. Priority for this child care  
5 assistance shall be given to families with incomes of one hundred per cent or  
6 less of the federal poverty level.

7 G. In lieu of the employment activity required in subsection B, C or D  
8 of this section, the department may allow eligible families with teenaged  
9 custodial parents under twenty years of age to complete a high school diploma  
10 or its equivalent or engage in remedial education activities reasonably  
11 related to employment goals.

12 H. The department may provide supplemental child care assistance for  
13 department approved education and training activities if the eligible parent,  
14 legal guardian or caretaker relative is working at least a monthly average of  
15 twenty hours per week and this education and training are reasonably related  
16 to employment goals. The eligible parent, legal guardian or caretaker  
17 relative must demonstrate satisfactory progress in the education or training  
18 activity.

19 I. Beginning March 12, 2003, the department shall establish waiting  
20 lists for child care assistance and prioritize child care assistance for  
21 different eligibility categories in order to manage within appropriated and  
22 available monies. Priority of children on the waiting list shall start with  
23 those families at one hundred per cent of the federal poverty level and  
24 continue with each successive ten per cent increase in the federal poverty  
25 level until the maximum allowable federal poverty level of one hundred  
26 sixty-five per cent. Priority shall be given regardless of time spent on the  
27 waiting list.

28 J. The department shall establish criteria for denying, reducing or  
29 terminating child care assistance that include:

30 1. Whether there is a parent, legal guardian or caretaker relative  
31 available to care for the child.

32 2. Financial or programmatic eligibility changes or ineligibility.

33 3. Failure to cooperate with the requirements of the department to  
34 determine or redetermine eligibility.

35 4. Hours of child care need that fall within the child's compulsory  
36 academic school hours.

37 5. Reasonably accessible and available publicly funded early childhood  
38 education programs.

39 6. Whether an otherwise eligible family has been sanctioned and cash  
40 assistance has been terminated pursuant to chapter 2 of this title.

41 7. Other circumstances of a similar nature.

42 8. Whether sufficient monies exist for the assistance.

43 K. Families receiving child care assistance under subsection D or F of  
44 this section are also subject to the following requirements for such child  
45 care assistance:

1           1. Each child is limited to no more than sixty cumulative months of  
2 child care assistance. The department may provide an extension if the family  
3 can prove that the family is making efforts to improve skills and move  
4 towards self-sufficiency.

5           2. Families are limited to no more than six children receiving child  
6 care assistance.

7           3. Copayments shall be imposed for all children receiving child care  
8 assistance. Copayments for each child may be higher for the first child in  
9 child care than for additional children in child care.

10          L. The department shall review each case at least once a year to  
11 evaluate eligibility for child care assistance.

12          M. THE DEPARTMENT SHALL REPORT ON DECEMBER 31 AND JUNE 30 OF EACH YEAR  
13 TO THE JOINT LEGISLATIVE BUDGET COMMITTEE THE TOTAL NUMBER OF FAMILIES WHO  
14 APPLIED FOR CHILD CARE ASSISTANCE AND THE TOTAL NUMBER OF FAMILIES WHO WERE  
15 DENIED ASSISTANCE UNDER THIS SECTION BECAUSE THE PARENTS, LEGAL GUARDIANS OR  
16 CARETAKER RELATIVES WHO APPLIED FOR ASSISTANCE WERE NOT CITIZENS OR LEGAL  
17 RESIDENTS OF THE UNITED STATES OR WERE NOT OTHERWISE LAWFULLY PRESENT IN THE  
18 UNITED STATES.

19          N. THIS SECTION SHALL BE ENFORCED WITHOUT REGARD TO RACE, RELIGION,  
20 GENDER, ETHNICITY OR NATIONAL ORIGIN.

21          ~~M.~~ O. Notwithstanding section 35-173, monies appropriated for the  
22 purposes of this section shall not be used for any other purpose without the  
23 approval of the joint legislative budget committee.

24          ~~N.~~ P. The department shall refer all child care subsidy recipients to  
25 child support enforcement and to local workforce services and provide  
26 information on the earned income tax credit.

27          Sec. 29. Appropriation; immigration ombudsman-citizens aide;  
28 exemption; reimbursement

29          A. The sum of \$100,000 and one FTE position is appropriated from the  
30 state general fund in fiscal year 2006-2007 to the ombudsman-citizens aide  
31 for the purpose of the immigration ombudsman-citizens aide pursuant to  
32 section 41-1384, Arizona Revised Statutes, as added by this act.

33          B. The appropriation made in subsection A of this section is exempt  
34 from the provisions of section 35-190, Arizona Revised Statutes, relating to  
35 lapsing of appropriations.

36          C. Any federal monies provided to this state for the immigration  
37 ombudsman-citizens aide shall be used to offset the appropriation made in  
38 subsection A of this section and the offset amount reverts to the state  
39 general fund.

40          Sec. 30. Appropriations; purposes; reports; billing; exemption;  
41 reimbursement

42          A. The following sums are appropriated from the state general fund to  
43 the border security fund established by section 41-2351, Arizona Revised  
44 Statutes, as added by this act, in fiscal year 2006-2007 for the purposes  
45 indicated:

1           1. \$27,000,000 for grants to counties for incarceration operating  
2 expenses, including temporary and movable detainment facilities, tents for  
3 immigration control and operating and personnel costs for the detainment  
4 facilities.

5           2. \$27,000,000 for grants to city, town and county law enforcement  
6 agencies, city and town prosecutors and county attorneys for border security  
7 personnel, physical barriers and any other immigration enforcement purposes.

8           3. \$850,000 for grants to the state department of corrections and  
9 county sheriffs for border clean-up restoration costs.

10          4. \$1,000,000 for grants to the department of transportation to  
11 construct a southern Arizona border road.

12          B. The department of administration shall send billing invoices to the  
13 federal government to recover the amount of the appropriations in subsection  
14 A of this section for deposit in the state general fund.

15          C. The appropriations made in subsection A of this section are exempt  
16 from the provisions of section 35-190, Arizona Revised Statutes, relating to  
17 lapsing of appropriations.

18          D. Any federal monies provided to this state for the purposes  
19 described in subsection A of this section shall be used to offset the  
20 appropriations made in subsection A of this section and the offset amount  
21 reverts to the state general fund.

22          Sec. 31. Appropriation; attorney general enforcement;  
23 exemption; reimbursemenet

24          A. The sum of \$2,000,000 is appropriated from the state general fund  
25 in fiscal year 2006-2007 to the attorney general for the purpose of enforcing  
26 sections 23-214, 23-215, 23-222, 41-1080.01, 41-1080.02 and 41-1080.03,  
27 Arizona Revised Statutes, as added by this act.

28          B. The appropriation made in subsection A of this section is exempt  
29 from the provisions of section 35-190, Arizona Revised Statutes, relating to  
30 lapsing of appropriations.

31          C. Any federal monies provided to this state for attorney general  
32 enforcement shall be used to offset the appropriation made in subsection A of  
33 this section and the offset amount reverts to the state general fund.

34          Sec. 32. Appropriation; department of public safety; southern  
35 Arizona crime laboratory; exemption; reimbursement

36          A. The sum of \$14,300,000 is appropriated from the state general fund  
37 in fiscal year 2006-2007 to the department of public safety for establishment  
38 of a southern Arizona crime laboratory.

39          B. The appropriation made in subsection A of this section is exempt  
40 from the provisions of section 35-190, Arizona Revised Statutes, relating to  
41 lapsing of appropriations.

42          C. Any federal monies provided to this state for establishing a  
43 southern Arizona crime laboratory shall be used to offset the appropriation  
44 made in subsection A of this section and the offset amount reverts to the  
45 state general fund.



1           Sec. 35. Border radar; implementation

2           A. The department of emergency and military affairs shall lease or  
3 purchase a ground based radar system integrated with cameras for the southern  
4 Arizona border for border protection. The location and implementation of the  
5 radar system shall be established by the department of emergency and military  
6 affairs in cooperation and consultation with the contractor and federal,  
7 state and local governments, Indian tribes and private property owners on the  
8 border. The contract shall require immediate notification to the United  
9 States border patrol by the implementing contractor for each illegal crossing  
10 of the border detected by the radar.

11           B. The department of emergency and military affairs shall:

12           1. Submit a draft of the request for proposals to the joint committee  
13 on capital review within ninety days after the effective date of this act for  
14 review.

15           2. Enter into a contract with the contractor for installation,  
16 management and maintenance costs and personnel and associated equipmenet  
17 costs of the project within one hundred twenty days after the release of the  
18 request for proposals. The contract shall contain a list including the number  
19 of proposed radar facility locations, the miles of border covered by the  
20 proposed radar facility locations and the estimated time for completion of  
21 the first and last radar sites.

22           3. Submit quarterly reports beginning December 1, 2006, until  
23 completion of the project, to the joint committee on capital review and the  
24 joint legislative committee on immigration for review. The reports shall  
25 detail expenditures, progress on implementation of the project and the  
26 timeframes for completion of the first and last radar facility locations.

27           Sec. 36. Initial terms of members of the Arizona border  
28 enforcement security team

29           A. Notwithstanding section 41-2351, Arizona Revised Statutes, as added  
30 by this act, the initial terms of members of the Arizona border enforcement  
31 security team appointed pursuant to section 41-2351, subsection A, paragraphs  
32 4 through 9, Arizona Revised Statutes, as added by this act, are:

- 33           1. Two terms ending January 1, 2008.  
34           2. Three terms ending January 1, 2009.  
35           3. Three terms ending January 1, 2010.

36           B. The appointing authorities shall make all subsequent appointments  
37 as prescribed by statute.

38           Sec. 37. Purpose

39           Pursuant to section 41-2955, subsection E, Arizona Revised Statutes,  
40 the purpose of the Arizona border enforcement security team is to make grants  
41 to political subdivisions for border security.

42           Sec. 38. Report by governor; border emergency

43           A. If the governor declares that a state of emergency exists due to  
44 the increase in unauthorized border crossings and the related increase in  
45 deaths, crime or property damage, the governor shall prepare a report

1 outlining the governor's plan to stabilize the emergency. The report shall  
2 include all of the following:

- 3 1. The number of troops to be mobilized to address the emergency.
- 4 2. The role of the troops in resolving the emergency, including  
5 delineation of specific duties that will prevent illegal aliens from entering  
6 Arizona.
- 7 3. The estimated time until the emergency is resolved.
- 8 4. Whether the required training schedule for national guard troops  
9 prescribed in section 26-171, Arizona Revised Statutes, can be altered to use  
10 these troops to address the border emergency and to reduce the cost to the  
11 state.
- 12 5. Whether the governor has determined that the national guard does  
13 not have sufficient troops to meet the emergency and plans to authorize the  
14 adjutant general to accept service from volunteers to form an unorganized  
15 militia pursuant to section 26-124, Arizona Revised Statutes, and the reasons  
16 to support or reject this service.

17 B. The governor shall present this report to the speaker of the house  
18 of representatives and the president of the senate within thirty days after  
19 the declaration of the emergency or by the effective date of this act,  
20 whichever date is later.

21 Sec. 39. Conditional appropriation; national guard  
22 mobilization; exemption; reimbursement

23 A. If the governor presents the report as prescribed in section 38 of  
24 this act, the sum of \$10,000,000 is appropriated from the state general fund  
25 in fiscal year 2006-2007 to the department of emergency and military affairs  
26 for payment of expenses incurred by the national guard pursuant to any  
27 mobilization due to a declaration of emergency by the governor relating to  
28 the protection of Arizona lives and property resulting from an increase in  
29 unauthorized border crossings and the related increase in deaths, crime and  
30 property damage.

31 B. Any federal monies provided to this state for national guard  
32 deployment shall be used to offset the appropriation made in subsection A of  
33 this section and the offset amount reverts to the state general fund.

34 C. The appropriation made in subsection A of this section is exempt  
35 from the provisions of section 35-190, Arizona Revised Statutes, relating to  
36 lapsing of appropriations.

37 D. Any federal monies provided to this state for national guard  
38 mobilization shall be used to offset the appropriation made in subsection A  
39 of this section and the offset amount reverts to the state general fund.

40 Sec. 40. Appropriation; border environmental study; report;  
41 exemption; reimbursement

42 A. The sum of \$200,000 is appropriated from the state general fund in  
43 fiscal year 2006-2007 to the state land department to enter into a contract  
44 with a private contractor for an environmental impact study of the effects of  
45 illegal immigration on state lands in the southern Arizona border counties.

1 B. The request for proposals shall be developed by the state land  
2 department in consultation with the department of environmental quality and  
3 the Arizona game and fish department.

4 C. The study shall include the vehicular and foot traffic effects of  
5 illegal immigration on habitat, animal and plant life and any other adverse  
6 environmental effects.

7 D. A report of the findings of the study shall be submitted by the  
8 state land department to the speaker of the house of representatives and the  
9 president of the senate by December 1, 2007.

10 E. The appropriation made in subsection A of this section is exempt  
11 from the provisions of section 35-190, Arizona Revised Statutes, relating to  
12 lapsing of appropriations.

13 F. Any federal monies provided to this state for a border  
14 environmental study shall be used to offset the appropriation made in  
15 subsection A of this section and the offset amount reverts to the state  
16 general fund.

17 Sec. 41. Appropriation; auditor general; federal audits;  
18 exemption; reimbursement

19 A. The sum of \$150,000 is appropriated from the state general fund in  
20 fiscal year 2006-2007 to the auditor general for the purpose of contracting  
21 with a third party to conduct any fiscal audits that are federally required.

22 B. The appropriation made in subsection A of this section is exempt  
23 from the provisions of section 35-190, Arizona Revised Statutes, relating to  
24 lapsing of appropriations.

25 C. Any federal monies provided to this state for the auditor general  
26 to conduct audits shall be used to offset the appropriation made in  
27 subsection A of this section and the offset amount reverts to the state  
28 general fund.

29 Sec. 42. Funding for peace officer training; investigating  
30 violations of federal immigration laws

31 Programs to train peace officers to investigate violations of federal  
32 immigration laws by the department of public safety, county sheriffs and  
33 police departments of cities and towns pursuant to section 11-1051,  
34 subsection D, Arizona Revised Statutes, as added by this act, shall be funded  
35 by federal funds that are received by this state.

36 Sec. 43. Severability; construction

37 A. If any provision of this act or its application to any person or  
38 circumstance is held invalid, the invalidity does not affect other provisions  
39 or applications of this act that can be given effect without the invalid  
40 provision or application, and to this end the provisions of this act are  
41 severable.

42 B. All provisions in this act that are relevant to immigration or the  
43 classification of aliens shall be construed to be in conformity with federal  
44 immigration law.

1           Sec. 44. Delayed repeal

2           Section 41-1292.01, Arizona Revised Statutes, as added by this act, is  
3 repealed from and after December 31, 2009.

4           Sec. 45. Legislative intent

5           It is the intent of the legislature that law enforcement agencies and  
6 personnel fully comply with sections 11-1051 and 41-1702, Arizona Revised  
7 Statutes, as added by this act, to accomplish the goal of supplementing the  
8 efforts of federal law enforcement agencies to stop human smuggling and  
9 trespassing by illegal aliens and by transferring illegal aliens to such  
10 agencies, notwithstanding any local law enforcement policies that would  
11 otherwise inhibit such compliance.